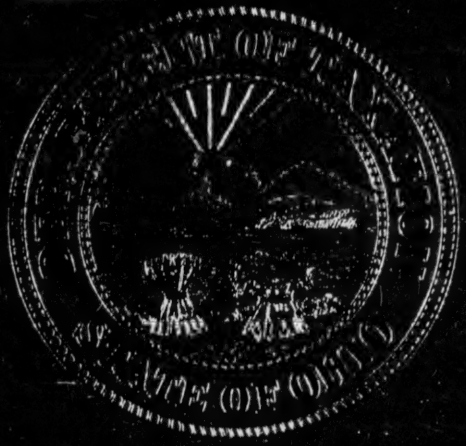
STATE OF OHIO
DEPARTMENT OF TAXATION



1985
ANNUAL REPORT

D F. CELESTE
OVERNOR

JOANNE LIMBACH
TAX COMMISSIONER

ANNUAL REPORT

of the

OHIO DEPARTMENT OF TAXATION

for the

Fiscal Year Ending June 30, 1985

Prepared by the
Tax Analysis and Local Government Distributions Division
Ohio Department of Taxation

STATE OF OHIO
DEPARTMENT OF TAXATION
STATE OFFICE TOWER
P. O. BOX 530
COLUMBUS, OHIO 43266-0030

September 11, 1986

Honorable Richard F. Celeste
Governor of Ohio
And Members of the
Ohio General Assembly

In compliance with Section 5703.42 of the Ohio Revised Code, it is my privilege to submit the 1985 Annual Report of the Ohio Department of Taxation.

This report contains descriptions and data for each of the state and local taxes administered by the Department and for the Energy Credit Program which the Department administers. In addition, sections have been included on local government funds. The text of the report pertains to laws in effect during fiscal year 1985 (July 1, 1984 through June 30, 1985) so that data and descriptions in the various sections are generally comparable. The sections summarizing recent legislation include bills enacted or effective during the fiscal year. We have also included a new section that discusses the initiatives and accomplishments of the Department during fiscal year 1985.

I trust that the contents of this report will be of value and interest to the people of Ohio.

Respectfully submitted,

Joanne Limbach

Joanne Limbach
Tax Commissioner

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OHIO DEPARTMENT OF TAXATION
(As of June 30, 1985)

Joanne Limbach
Tax Commissioner

Deputy Tax Commissioner - Administration
Stephen J. Nolan

Deputy Tax Commissioner - Policy
Richard A. Levin

Deputy Tax Commissioner - Tax Equalization
John H. Hall

Administrative Assistant
Deborah Matthews

Administration

Administrative Counsel	Arthur M. Suchta
Budget & Fiscal Affairs	Rodger L. Whaley
Computer Operations	Royce H. Metcalf
District Administrator	Fred H. Ahlborn
Information Systems	Dennis B. Winner
Legal	Donald S. Swepston
Personnel	Martha G. Campisi
Reproduction & Supply	Don K. Matson
Research & Statistics	Ronald A. Mucha
Security	Martin A. Winters
Tax Policy and Communications	William P. Driscoll

Sales & Use Tax Division

Jurisdiction: Sales & Use Taxes

Administrator		Bernard E. Johnson
Assistant --	Technical Operations	Robert L. Henshaw
Assistant --	General Operations	K. Ray Taylor
Supervisors:	Audit Review	Richard J. Barrett
	Central Audit	David W. Boeder
	Sales and Use	William D. Marshall

Excise, Motor Fuel & Highway Use Tax Division

Jurisdiction: Highway Use, Motor Fuel, Severance, Cigarette, and Alcoholic Beverages Taxes

Administrator	Richard O. Beckner
Excise Tax	Cathy Farley
Highway Use Tax	Edward D. Finnerty
Motor Fuel Tax	James E. Jarzabek

Estate Tax Division

Administrator	Joan E. Zuber
Administrative Assistant -- Operations	Joe Veffer
Inheritance Tax Supervisor	Mark R. Friedman

Property Tax Division

Jurisdiction: Personal Property, Intangible Property, and Financial Institutions Taxes

Administrator	James J. Baumann
Assistant-Operations	Jack W. Cook
Assistant-Technical	Robert H. Dudgeon
Compliance Section	Allen D. Stoffel
Property Tax Section	Edward L. Gifford

Public Utility Tax Division

Jurisdiction: Public Utility Real and Personal Property, Intangible, and Excise Taxes

Administrator	James A. Witzel
Administrative Assistant	Louis J. Spisak

Income Tax Division

Jurisdiction: Individual Income Tax (School District and State), Corporate Franchise Tax, and Energy Credit Program

Administrator		James J. Kamerick
Assistant --	Operations	Thomas R. Nourse
Supervisors:	Audit Review	Charles E. Ortlieb
	Corporate Franchise Tax -- Audit	John P. McAndrew
	Energy Credit Program	Lisa E. Stinziano
	Individual Income Tax -- Audit	Rodgers L. Way, Jr.
	Taxpayer Services	Michael R. Dundon

Tax Equalization Division

Jurisdiction: Real Property Tax

Deputy	John H. Hall
Assistant Administrator	Carol Mahaffey

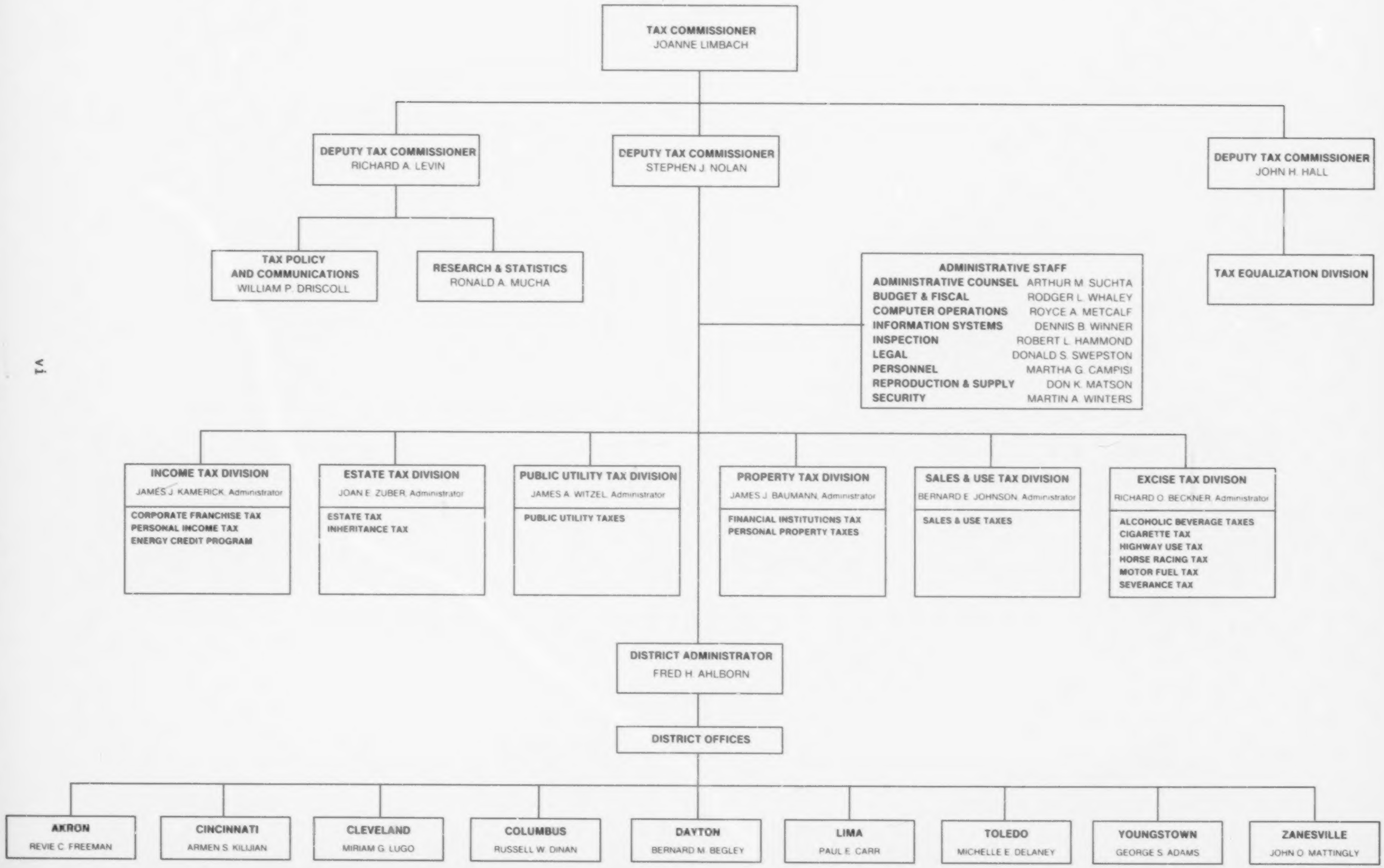
INCUMBENTS IN THE OFFICE OF TAX COMMISSIONER, AND GOVERNORS SERVED, 1939 — PRESENT

Tax Commissioner	Term	Served Under Governor	Term
William S. Evatt	6/06/39 - 12/31/44	John W. Bricker	1/09/39 - 1/08/45
C. Emory Glander	1/01/45 - 1/31/51	Frank J. Lausche	1/08/45 - 1/13/47
"	" "	Thomas J. Herbert	1/13/47 - 1/10/49
"	" "	Frank J. Lausche	1/10/49 - 1/03/57
John W. Peck	2/01/51 - 1/31/54	"	" "
Stanley J. Bowers	2/01/54 - 4/14/63	"	" "
"	" "	John W. Brown	1/03/57 - 1/14/57
"	" "	C. William O'Neill	1/14/57 - 1/12/59
"	" "	Michael V. DiSalle	1/12/59 - 1/14/63
Louis J. Schneider	4/15/63 - 12/29/64	James A. Rhodes	1/14/63 - 1/11/71
Gerald A. Donahue	1/04/65 - 3/13/66	"	" "
Gail W. Porterfield	3/13/66 - 1/10/71	"	" "
Robert J. Kosydar	1/11/71 - 1/13/75	John J. Gilligan	1/11/71 - 1/13/75
Gerald S. Collins	1/13/75 - 8/28/75	James A. Rhodes	1/13/75 - 1/10/83
Edgar L. Lindley	9/11/75 - 1/10/83	"	" "
Joanne Limbach	1/10/83 - Present	Richard F. Celeste	1/10/83 - Present

NOTE: Tax Commissioner serves at pleasure of Governor (before September, 1963 served a four-year term).

OHIO DEPARTMENT OF TAXATION
ORGANIZATION CHART

(As of June 30, 1985)


TAX COMMISSIONER
JOANNE LIMBACH
DEPUTY TAX COMMISSIONER
RICHARD A. LEVIN
DEPUTY TAX COMMISSIONER
STEPHEN J. NOLAN
DEPUTY TAX COMMISSIONER
JOHN H. HALL
TAX POLICY AND COMMUNICATIONS
WILLIAM P. DRISCOLL
RESEARCH & STATISTICS
RONALD A. MUCHA
ADMINISTRATIVE STAFF
ADMINISTRATIVE COUNSEL ARTHUR M. SUCHTA
BUDGET & FISCAL RODGER L. WHALEY
COMPUTER OPERATIONS ROYCE A. METCALF
INFORMATION SYSTEMS DENNIS B. WINNER
INSPECTION ROBERT L. HAMMOND
LEGAL DONALD S. SWEPSTON
PERSONNEL MARTHA G. CAMPISI
REPRODUCTION & SUPPLY DON K. MATSON
SECURITY MARTIN A. WINTERS
TAX EQUALIZATION DIVISION
INCOME TAX DIVISION
JAMES J. KAMERICK, Administrator
CORPORATE FRANCHISE TAX
PERSONAL INCOME TAX
ENERGY CREDIT PROGRAM
ESTATE TAX DIVISION
JOAN E. ZUBER, Administrator
ESTATE TAX
INHERITANCE TAX
PUBLIC UTILITY TAX DIVISION
JAMES A. WITZEL, Administrator
PUBLIC UTILITY TAXES
PROPERTY TAX DIVISION
JAMES J. BAUMANN, Administrator
FINANCIAL INSTITUTIONS TAX
PERSONAL PROPERTY TAXES
SALES & USE TAX DIVISION
BERNARD E. JOHNSON, Administrator
SALES & USE TAXES
EXCISE TAX DIVISON
RICHARD O. BECKNER, Administrator
ALCOHOLIC BEVERAGE TAXES
CIGARETTE TAX
HIGHWAY USE TAX
HORSE RACING TAX
MOTOR FUEL TAX
SEVERANCE TAX
DISTRICT ADMINISTRATOR
FRED H. AHLBORN
DISTRICT OFFICES
AKRON
REVIE C. FREEMAN
CINCINNATI
ARMEN S. KILIJIAN
CLEVELAND
MIRIAM G. LUGO
COLUMBUS
RUSSELL W. DINAN
DAYTON
BERNARD M. BEGLEY
LIMA
PAUL E. CARR
TOLEDO
MICHELLE E. DELANEY
YOUNGSTOWN
GEORGE S. ADAMS
ZANESVILLE
JOHN O. MATTINGLY

INITIATIVES AND ACCOMPLISHMENTS
IN
FISCAL YEAR 1985

Audit Revenues Substantially Increased

By increasing the size of the audit staff, the department was able to achieve a dramatic one-third increase in audit revenues. Further revenue increases are anticipated as the new auditors gain experience. The auditing staff was increased about 25% as a result of a substantial increase in the Department's budget for the 1984-85 biennium.

Tax Case Backlog Reduced

Over the period from 1972 to 1984, a large backlog of corporate franchise tax cases involving disputed audits had built up before the Department's Legal Hearing Board. To deal with this backlog, the Audit Resolution Unit was formed in August, 1984. The unit has been very successful in resolving these outstanding corporate franchise tax cases. The unit tries to clarify the Department's position on areas of dispute and tries to reach a negotiated settlement with the taxpayer on any points of the case that involve "gray areas" of franchise tax law, accounting, and auditing practice. Once an agreement is reached, the case is finalized without requiring the more time-consuming appeal route through the Legal Hearing Board and, often the Board of Tax Appeals. Eventually this unit will have cases on a current basis, which will improve taxpayer compliance and make corporate tax planning easier.

Optical Scanning System Installed

An optical scanner that can read both machine-printed and hand-printed data at the rate of 2,400 tax forms an hour was installed for use on sales tax returns. It was installed as a result of a three-year study to improve the processing of tax forms. The scanner reads and enters information four times faster than can be done manually. The long range goal is to have all tax returns scanned optically in a centralized operation.

Faster Tax Refunds

The Income Tax Division has greatly reduced the time it takes for a taxpayer to receive a state income tax refund. The average wait between the filing of a 1985 tax return and receipt of the refund was only six weeks, an excellent record in light of the more than 4 million returns processed.

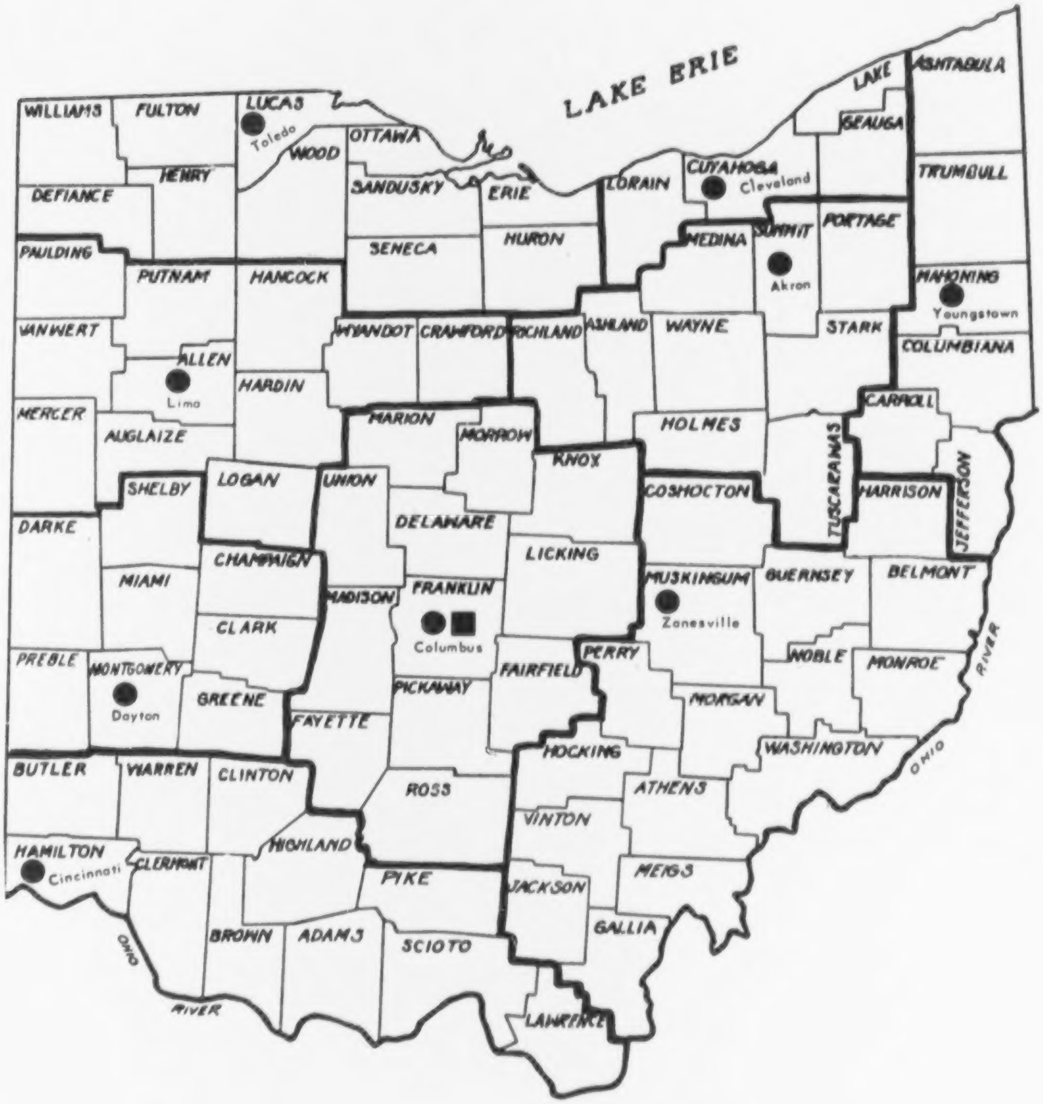
Income Tax Forms and Instructions Simplified

The state income tax forms had become so complex that the reading level required to understand them was higher than for the federal return. Also, the visual design of the Ohio return did not lend itself to easy completion. During fiscal 1985, the instructions were rewritten to eliminate as much tax jargon as possible and to shorten words and sentences. In addition, the graphics were changed to permit more white space and to clarify the appearance of the instructions. The result was a considerable reduction in the reading level required to understand and complete the form without sacrificing information that was needed.

New Employee Orientation Program Established

An orientation program for new employees was developed and presented for the first time in September, 1984. It provides new employees with a sense of the mission of the Department as well as allowing them to meet people from other divisions of the Department.

DISTRICT OFFICES OF THE OHIO DEPARTMENT OF TAXATION AND COUNTIES SERVED


LAKE ERIE
WILLIAMS
FULTON
LUCAS
Toledo
OTTAWA
WOOD
LAKE
ASHTABULA
GEAUGA
CUYAHOGA
Cleveland
TRUMBULL
DEFIANCE
HENRY
SANDUSKY
ERIE
LORAIN
PORTAGE
MEDINA
SUMMIT
Akron
PAULDING
PUTNAM
HANCOCK
SENECA
HURON
MAHONING
Youngstown
VAN WERT
WYANDOT
CRAWFORD
RICHLAND
ASHLAND
WAYNE
STARK
COLUMBIANA
ALLEN
Lima
HARDIN
MERCER
AUGLAIZE
MARION
MORROW
HOLMES
CARROLL
TUSCARAWAS
JEFFERSON
SHELBY
LOGAN
UNION
KNOX
COSHOCTON
HARRISON
DARKE
DELAWARE
CHAMPAIGN
LICKING
MIAMI
MADISON
FRANKLIN
Columbus
MUSKINGUM
Zanesville
GUERNSEY
BELMONT
CLARK
PREBLE
MONTGOMERY
Dayton
GREENE
PICKAWAY
FAIRFIELD
PERRY
NOBLE
MONROE
MORGAN
FAYETTE
HOCKING
WASHINGTON
OHIO
RIVER
BUTLER
WARREN
CLINTON
ROSS
ATHENS
VINTON
HAMILTON
Cincinnati
CLERMONT
HIGHLAND
PIKE
JACKSON
MEIGS
GALLIA
BROWN
ADAMS
SCIOTO
OHIO
RIVER
LAWRENCE

● DISTRICT OFFICES

■ CENTRAL OFFICE

RESPONSIBILITIES AND ORGANIZATION

OF THE

OHIO DEPARTMENT OF TAXATION

The Ohio Revised Code (Section 5703.05) states that, "all powers, duties, and functions of the department of taxation are vested in and shall be performed by the tax commissioner . . ." The Tax Commissioner is appointed by the Governor, subject to confirmation by the Ohio Senate, and serves at the pleasure of the Governor. The Tax Commissioner is responsible for the administration of most state-collected taxes and several locally-collected taxes and the supervision of the real property tax. In addition, the Tax Commissioner administers one non-tax program--the energy credits program. This program reduces the winter heating bills of qualified individuals.

The Commissioner is empowered to make "all tax assessments, valuations, findings, determinations, computations, and orders" which the Department is by law authorized and required to make, and to review, redetermine, or correct previous assessments, valuations, or findings. The Commissioner also is charged with promulgating rules and regulations and preparing and distributing tax returns and other reporting forms. The Commissioner is responsible for auditing returns, levying assessments and penalties, granting or denying tax refunds, and may issue, revoke, or suspend certain licenses and permits. In two instances, the personal income tax and the horse racing tax, the Commissioner is assigned the actual collection of taxes with the other administrative duties. The Tax Commissioner is also required to maintain a continuous study of the practical operation of the taxation and revenue laws of the state, the probable revenue effect of possible changes in existing laws, and the possible enactment of measures providing for other forms of taxation.

To efficiently perform these numerous functions, the Tax Commissioner is authorized by law to create the divisions and sections of employees which are deemed proper. The organization chart on page vi indicates this division structure as of June 30, 1985. In addition to three Deputy Tax Commissioners, the Tax Commissioner has created seven operating divisions responsible for specific taxes or groupings of taxes (Sales and Use, Property, Public Utility, Income, Excise, Tax Equalization, and Estate), eight administrative staff sections (Administrative Counsel, Budget and Fiscal, Computer Operations, Information Systems, Personnel, Reproduction and Supply, Inspection, and Security), a Legal Section, a Research and Statistics Section, a Tax Policy and Communications Section and nine District Offices located in major cities throughout Ohio with a District Administrator in the central office in Columbus. A map indicating the locations of the district offices and the counties which they serve is shown on page viii.

At the close of fiscal year 1985, there were 1,308 permanent employees in the central office and nine district offices. Expenditures of $47.0 million were made during the fiscal year to fulfill the various functions and responsibilities of the Department. Further detail for numbers of employees and expenditures is shown in Tables 1 and 2.

Table 3 shows data from applications for tax exemptions for pollution control and energy conservation facilities. Qualified facilities include: (1) air and noise pollution control facilities; (2) energy conservation facilities; (3) thermal efficiency improvement facilities; and (4) solid waste energy conversion facilities. A certificate must be issued for these facilities in order to qualify for a general tax exemption. The certification procedures for all of these facilities are administered by the Tax Commissioner. There is a similar program for water pollution control facilities, but that program is administered by the Ohio Environmental Protection Agency.

Applications for certificates are filed by businesses with the Department of Taxation. If the Tax Commissioner, after obtaining the opinion of the Director of Environmental Protection or Director of the Department of Energy, finds that the facility meets the statutory requirements, a certificate is issued for the facility. If the facility does not meet the qualifications, the certificate is not granted. Sometimes only a portion of a facility qualifies and a certificate is issued for only that portion of the facility. Table 3 summarizes the activities of the Department regarding the certificate program for fiscal year 1985. The table shows the number of applications acted upon during the fiscal year

Table 1

OHIO DEPARTMENT OF TAXATION STAFF STRUCTURE AND NUMBER OF EMPLOYEES, FISCAL YEAR 1985

Unit Of Organization	Number of Employees June 30, 1985	
Administrative Division		
Tax Commissioner	10	
Legal	25	
Budget & Fiscal	4	
Personnel	9	
Research & Statistics	10	
Information Systems	10	
Reproduction & Supply	10	
Tax Policy and Communications	4	
Administrative Counsel	4	
Division Total		86
Data Processing Division		
Computer Operations	19	
Systems & Programming	22	
Data Entry	95	
Division Total		136
Property Tax Division		
Administration	8	
Intangible Processing	10	
Property Auditing	27	
Property Assessing	5	
Intangible Corporate Compliance	23	
Financial Institutions	5	
Division Total		78
Sales And Use Tax Division		
Administration	5	
Audit Review	10	
Audit Entry	13	
Sales Tax	85	
Central Audit	42	
Tax Hearing Board	4	
Division Total		159
Excise Tax Division		
Administration	3	
Highway Use	47	
Motor Fuel	19	
Excise Tax	5	
Cigarette Law Enforcement	10	
Division Total		84

Unit Of Organization	Number Of Employees June 30, 1985	
District Offices		
Akron	53	
Cincinnati	67	
Cleveland	69	
Columbus	48	
Dayton	49	
Lima	28	
Toledo	37	
Youngstown	44	
Zanesville	22	
Division Total		417
Income Tax Division		
Administration	6	
Corporate Auditing	39	
Personal Auditing	31	
Audit Review & Assessment	34	
Income Tax Processing	30	
Accounting & Cashier	14	
Security	14	
Support Services	20	
Taxpayer Services	49	
File & Mail Unit	28	
Energy Credits	13	
Division Total		278
Estate Tax Division		23
Public Utilities Division		9
Tax Equalization Division		38
Total Permanent Employees In Pay Status		1,308
Temporary Employees In Pay Status		54
Total Employees (Permanent & Temporary)		1,362

Table 2

EXPENDITURES OF THE DEPARTMENT OF TAXATION, FISCAL YEAR 1985

Unit of Organization	Personal Service	Maintenance And Equipment	Total
Administrative Division	$2,533,041	$2,115,336	$ 4,648,377
Data Processing Division	3,217,198	1,652,915	4,870,113
Property Tax Division	1,978,128	203,823	2,181,951
Sales & Use Tax Division	7,601,810	1,395,813	8,997,623
District Offices	8,143,052	1,339,713	9,482,765
Income Tax Division	7,929,646	4,346,290	12,275,936
Estate Tax Division	632,488	63,196	695,684
Tax Equalization Division	1,038,573	111,117	1,149,690
Public Utilities Division	286,945	7,051	293,996
Excise Tax Division	1,828,701	623,785	2,452,486
Total	$35,189,582	$11,859,039	$47,048,621

and gives a breakdown of the applications based on the type of facility. As long as the certificates are in force, the value of the certified facility is exempt from real and personal property taxes and is excluded from computation of the corporate franchise tax. In addition, material used to construct a certified facility is exempt from all sales and use taxes.

Table 4 shows the total audit production for the Sales, Income, Property, Public Utility, and Estate Tax Divisions. Note that these figures generally exceed those shown in the assessments tables (tables 5 through 7), primarily because the production totals include revenue from corrected returns and other activities which are not included in the actual assessments. Total audit production in fiscal year 1985 for the four major divisions of the Department increased by about 21% over fiscal year 1984.

Tables 5 through 7 indicate amounts for assessments made by the Property, Sales, and Income Tax Divisions of the Department. Personal property tax assessments shown in Table 5 for tangible and intangible taxes totaled $75.7 million for calendar year 1984. Table 6 indicates that sales and excise tax assessments were $188.2 million in fiscal year 1985, with about $184.4 million of that amount from the sales and use tax alone.

Table 7 shows assessments levied by the Income Tax Division for both the corporate franchise and personal income taxes. Corporate franchise assessments are levied against corporations that: (1) do not file the required annual return; (2) file an incorrect return; or (3) fail to remit the full amount of the tax due. In fiscal year 1985, 5,244 corporate franchise assessments were levied amounting to $58.8 million in additional taxes, penalties, and interest due from corporations. These assessments must be paid within thirty days after the corporation receives the assessment notice. The assessments may be appealed by the taxpayers.

Personal income tax assessments are levied against individuals who either fail to file a tax return during the required time period or fail to pay the full amount of the tax legally due. Personal income tax assessments were levied against 59,224 taxpayers in fiscal year 1985 and amounted to about $33.3 million in additional taxes, penalties, and interest due from individual taxpayers. These assessments become due and payable within thirty days after they are received by the taxpayer. A taxpayer may appeal the assessment within thirty days after its receipt.

Table 3

NUMBER OF POLLUTION CONTROL, CONVERSION FACILITY, AND THERMAL EFFICIENCY IMPROVEMENT FACILITY FINAL CERTIFICATES ISSUED AND VALUE OF EXEMPTIONS GRANTED, FISCAL YEAR 1985

Type of Facility	Number of Certificates Issued	Value of Exemptions
Air Pollution	310	$238,525,502
Noise Pollution	0	0
Energy Conversion	0	0
Solid Waste Conversion	0	0
Thermal Efficiency Improvement	0	0
Total	310	$238,525,502

Table 4

TOTAL AUDIT PRODUCTION FOR SALES, INCOME, PROPERTY, ESTATE, AND PUBLIC UTILITY TAX DIVISIONS, FISCAL YEARS 1981 - 1985

Division	Audit Production				
	FY 1981	FY 1982	FY 1983	FY 1984	FY 1985
Sales and Excise Taxes	$123,204,890	$129,836,200	$176,261,774	$192,698,483	$203,298,252
Income and Corporate Franchise Taxes	54,295,528	76,144,296	113,165,696	109,774,660	171,260,329
Property Tax	55,588,616	76,101,349	46,180,844	66,251,145	72,966,152
Estate Tax	2,225,652	5,588,775	4,453,484	3,914,412	3,228,730
Public Utility Tax	N.A	N.A.	N.A.	N.A.	1,839,439
Total	$235,314,686	$287,670,620	$340,061,798	$372,638,700	$452,592,902

N.A. -- Not Available.

Table 5

PERSONAL PROPERTY TAX ASSESSMENTS
CALENDAR YEARS 1983 AND 1984

Tax	Amount of Assessments Calendar Year 1983		Calendar Year 1984	
Tangible and Intangible Personal Property				
Single-county Corporations, Individuals, & Unincorporated Businesses	$26,614,941		$26,629,128	
Inter-county Corporations	28,643,935		48,695,966	
Total Personal Property		$55,258,876		$75,325,094
Financial Institutions (Intangibles only)		890,950		381,981
Total		$56,149,826		$75,707,075

Table 6

SALES AND EXCISE TAX ASSESSMENTS LEVIED
AND UNPAID ASSESSMENTS CERTIFIED FOR PAYMENT, FISCAL YEARS 1984 AND 1985(a)

Tax	Assessments Levied Fiscal Year 1984 Amount	Number	Fiscal Year 1985 Amount	Number	Unpaid Assessments Certified For Collection(b) Fiscal Year 1984	Fiscal Year 1985
Sales and Use	$175,569,723	40,270	$184,430,763	52,738	$70,159,662	$77,553,790
Motor Vehicle Fuel	2,321,323	242	1,334,157	226	883,347	1,681,917
Highway Use	1,628,229	400	2,179,386	788	1,064,997	1,088,464
Cigarette	150,694	19	24,037	11	37,945	12,659
Beer and Wine	- 0 -	- 0 -	5,231	5	25,719	10,323
Severance	165,890	82	204,293	60	90,638	205,705
Total	$179,835,859	41,013	$188,177,867	53,828	$72,262,308	$80,552,858

(a) Represents only assessments levied and not assessments collected.

(b) Data do not relate to current assessments shown in "Assessments Levied" column. It represents those assessments certified for collection after taxpayers have exhausted all avenues of appeal. Number of total assessments were 25,404 in Fiscal Year 1984 and 24,650 in Fiscal Year 1985.

Table 7

PERSONAL INCOME TAX AND CORPORATE FRANCHISE TAX ASSESSMENTS LEVIED,
FISCAL YEARS 1982 - 1985

Tax	Assessments Levied Fiscal Year 1982 Amount	Number	Fiscal Year 1983 Amount	Number	Fiscal Year 1984 Amount	Number	Fiscal Year 1985 Amount	Number
Corporate Franchise Tax	$23,840,114	2,966	$37,005,578	3,513	$34,229,465	1,954	$58,815,446	5,244
Personal Income Tax	10,633,479	51,750	17,320,735	66,653	20,970,880	60,464	33,329,632	53,980
Total	$34,473,593	54,716	$54,326,313	70,166	$55,200,345	62,418	$92,145,078	59,224

REVENUE FROM TAXES
ADMINISTERED BY THE TAX COMMISSIONER

The Tax Commissioner is responsible for administering state and local taxes which yielded about $9.6 billion in fiscal year 1985. The state's 1985 fiscal year was the period from July 1, 1984 through June 30, 1985. A breakdown of the collections from these taxes is shown in Table 8 for both state-collected and locally-collected taxes. It should be noted, however, that taxes imposed by one level of government may be collected by another, and that taxes collected by one level of government may be shared with another. Therefore, the tax collection figures attributed to state or local governments in the table do not necessarily indicate amounts available for expenditure by the two governmental levels.

Figures for both gross and net tax collections from state-collected taxes are shown in Table 8. Gross collections are equal to total taxes collected, including taxes which were later refunded. Net tax collections are equal to gross collections less all refunds. The source for the state-collected taxes is the Office of Budget and Management for both gross and net collections. These figures will differ from data shown elsewhere in this report which generally represent taxes administered as shown on returns filed during the fiscal year rather than actual collections during the fiscal year.

The state-collected taxes administered by the Tax Commissioner yielded net tax collections of $8,004.1 million during the fiscal year. This was an increase of 8.6% over the previous year. Collections from locally-collected taxes were $1,602.9 million in calendar year 1984, which was a decrease of 1.4% from 1983.

As the table shows, the largest single revenue source was the personal income tax with net collections of $2,777.8 million. The sales tax was the second largest revenue source with net collections of $2,552.1 million. Sales tax revenue increased 10% while income tax collections increased about 12%.

Other taxes with increases or decreases of note were the local sales and use tax, corporation franchise tax, intangible personal property tax, horse racing tax, severance tax, and school district income tax. Local sales and use tax collections increased nearly 17% primarily because of an increase in the number of counties levying a local sales tax. Collections from the corporation franchise tax increased about 12% reflecting an improving economy. Total collections from the state-collected intangible personal property tax fell 87% due to repeal of the taxes paid by financial institutions. Horse racing collections dropped 37% (the second large decline in a row) as a result of reductions in the rates applied to wagering receipts. Severance tax collections were up 24% as the increases in rates on oil and natural gas were fully reflected in collections. Finally, collections from the school district income tax increased greatly as the taxes levied in earlier years were fully reflected in collections.

Table 8

COLLECTIONS FOR TAXES ADMINISTERED BY OHIO TAX COMMISSIONER(a)

State-Collected Taxes, Fiscal Years 1984 and 1985

Tax	Gross Tax Collections 1984	Gross Tax Collections 1985	Net Tax Collections(b) 1984	Net Tax Collections(b) 1985	Percent Change
State Sales and Use	$2,328,347,625	$2,560,456,741	$2,320,797,430	$2,552,095,912	+ 9.97%
Local Sales and Use	280,279,553	327,236,566	280,279,553	327,236,566	+ 16.75
State Personal Income	2,805,529,948	3,159,808,442	2,485,779,658	2,777,799,505	+ 11.75
Corporation Franchise	713,850,212	831,361,296	656,426,777	732,665,982	+ 11.61
Motor Vehicle Fuel	631,313,546	636,291,548	615,991,856	622,565,611	+ 1.07
Public Utility Excise	599,626,406	675,805,382	597,800,432	673,851,421	+ 12.72
Cigarette Excise	183,994,823	186,058,997	182,352,221	184,548,251	+ 1.20
Intangible Pers. Property (State-Collected)(c)	114,317,260	14,956,952	113,800,143	14,771,703	- 87.02
Highway Use	50,632,371	54,708,716	50,467,960	54,596,171	+ 8.18
Alcoholic Beverage Excise	42,845,676	43,027,700	42,110,632	42,899,960	+ 1.87
Horse Racing	18,612,868	11,643,789	18,612,868	11,643,789	- 37.44
Soft Drink Mix	7,472	7,637	7,214	7,256	+ 0.58
Severance	6,627,245	8,205,163	6,623,924	8,191,061	+ 23.66
School District Income	456,289	1,202,352	456,289	1,202,352	+163.51
Total State-Collected Taxes	$7,776,441,294	$8,510,774,281	$7,371,506,957	$8,004,075,540	+ 8.58

Locally-Collected Taxes, Calendar Years 1983 and 1984

	Taxes Assessed 1983	Taxes Assessed 1984	Percent Change
Tangible Personal Property Taxes	$ 885,008,265	$ 831,600,228	- 6.03%
Intangible Personal Property Taxes (Locally-Collected)	145,742,693	147,322,413	+1.08
Public Utility Property Taxes(d)	486,617,302	504,302,656	+ 3.63
Estate Tax(e)	108,055,039	119,640,735	+10.72
Total Locally-Collected Taxes	$1,625,423,299	$1,602,866,032	- 1.39%

(a) SOURCES: For state-collected taxes, Ohio Office of Budget and Management. For locally-collected taxes, Ohio Department of Taxation.
(b) Gross tax collections less refunds.
(c) Taxes paid by financial institutions, dealers in intangibles, public utilities and intercounty corporations.
(d) Includes only tangible personal property taxes.
(e) Fiscal years 1984 and 1985, respectively.

ALL REVENUE RECEIPTS OF THE STATE OF OHIO

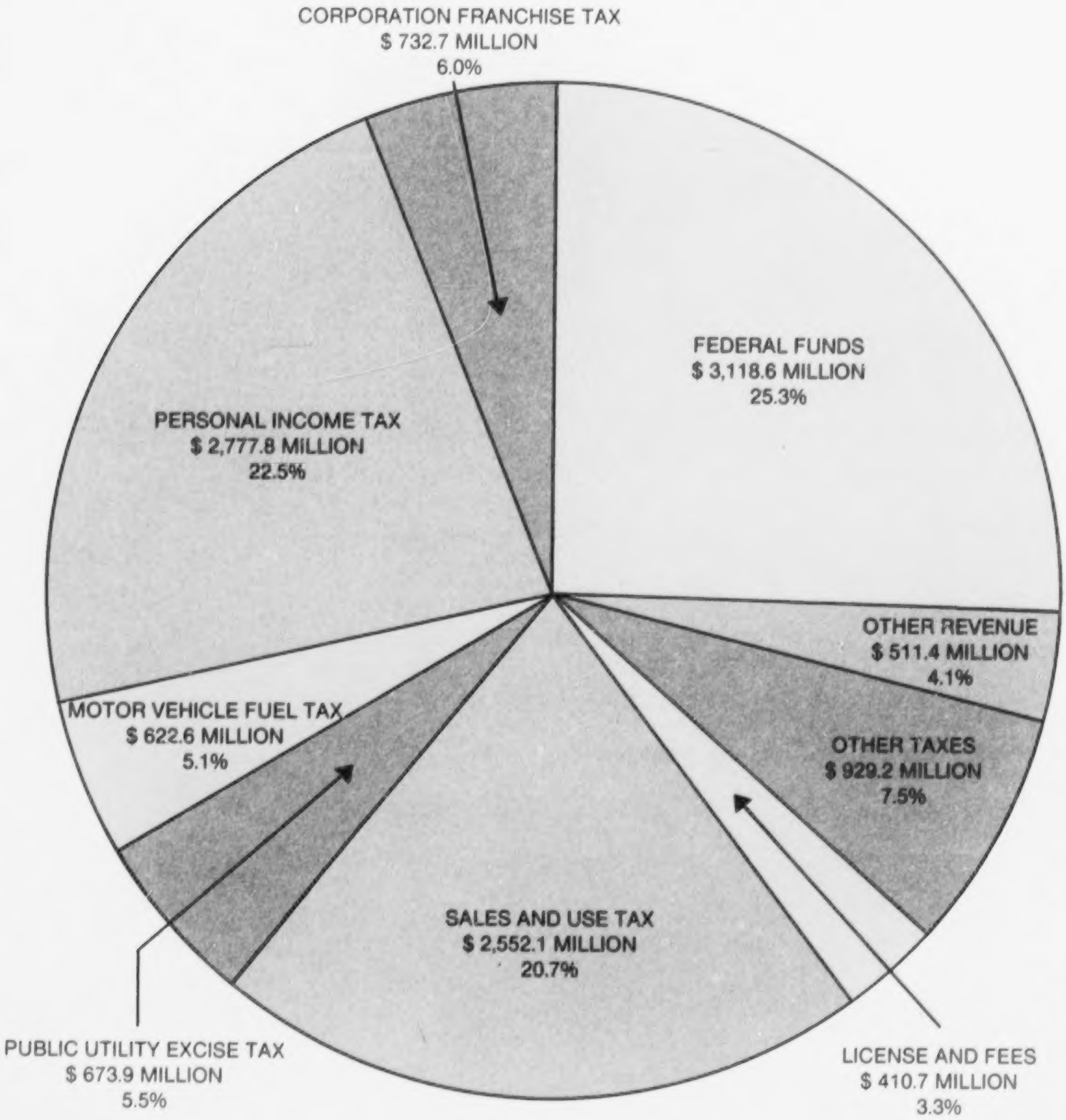
Total revenue receipts for the state of Ohio in fiscal year 1985 were $12,329.0 million — an increase of 9.7% over the $11,241.7 million in fiscal year 1984. These figures include only revenue available for expenditure on state programs -- tax refunds and other types of non-revenue collections are not included. The pie chart on the following page shows the amount of revenue attributed to each of the state's major revenue sources. The largest source of state revenue was federal funds, while the personal income tax was the largest source of tax revenue and the second-largest source of revenue overall. Nearly one-half of the state's revenue was derived from these two sources. Collections from taxes under the jurisdiction of the Tax Commissioner accounted for $7,710.0 million which was 62.5% of total state revenue. All tax revenue (including taxes and fees not administered by the Tax Commissioner) amounted to $8,698.9 million.

Revenue receipts for Ohio for the last five years are shown in the table below.

Fiscal Year	Revenue Receipts
1981	$8,137.6 million
1982	8,710.3 million
1983	9,800.1 million
1984	11,241.7 million
1985	12,329.0 million

Source: Ohio Office of Budget and Management

FIGURE 1
ALL REVENUE RECEIPTS OF THE STATE OF OHIO
FISCAL YEAR 1985
$12,329.0 million



GENERAL REVENUE FUND SOURCES
FISCAL YEAR 1985
(EXCLUDING FEDERAL AID)

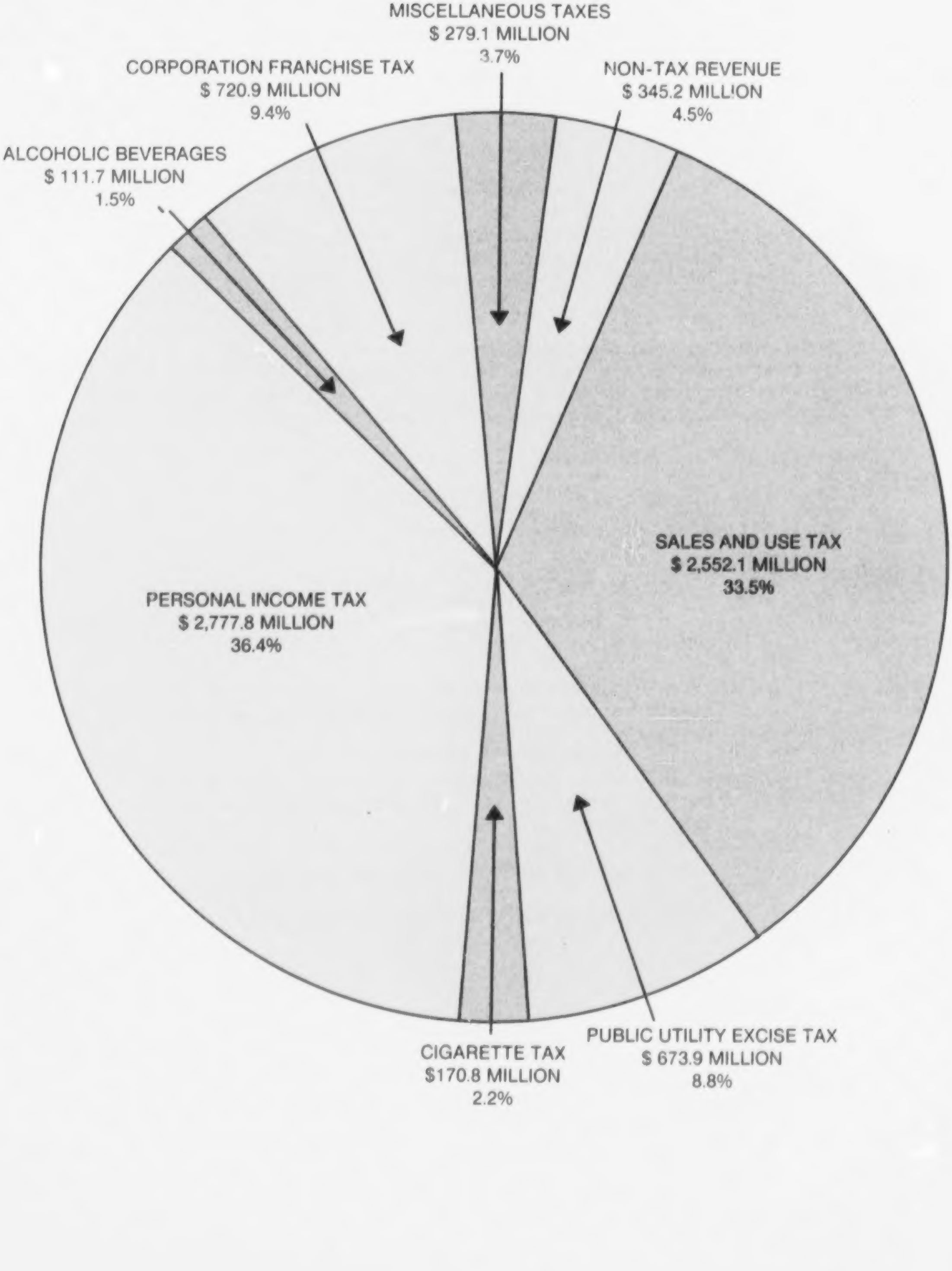
Revenue Source	FY 1985 Collections	
Personal Income Tax		**$2,777,799,506**
Sales and Use Tax		**2,552,095,910**
Corporation Franchise Tax		**720,902,132**
Public Utility Excise Tax		**673,851,421**
Cigarette Tax		**170,800,774**
Alcoholic Beverages Taxes		
Alcoholic Beverage Excise Tax	$ 42,404,218	
Liquor Gallonage Tax	27,310,284	
Liquor Profits	42,000,000	
Total		**$ 111,714,502**
Miscellaneous Taxes		
Domestic Insurance Tax	$26,325,326	
Estate Tax	34,405,214	
Foreign Insurance Tax	140,036,788	
Horse Racing Tax	3,568,123	
Intangible Personal Property Tax	9,736,880	
Other Taxes	64,994,506	
Total		**$ 279,066,837**
Non-Tax Revenue		
Earnings on Investments	$120,122,743	
Lottery	338,000,000	
Miscellaneous	-112,944,960*	
Total		**$ 345,177,783**
GRAND TOTAL		**$7,631,408,865**

NOTE: All amounts are after refunds.

* Includes certain transfers out of General Revenue Fund.

SOURCE: Ohio Office of Budget and Management.

FIGURE 2
GENERAL REVEUE FUND SOURCES
FISCAL YEAR 1985
(EXCLUDING FEDERAL AID)
TOTAL: $7,631.4 million



ALCOHOLIC BEVERAGE TAXES

The Ohio Department of Taxation and the Department of Liquor Control share responsibilities for the administration of the laws regarding alcoholic beverages. The Department of Liquor Control, which includes the Liquor Control Commission: (1) is in charge of issuing, suspending, and revoking permits to manufacture, distribute, and sell all alcoholic beverages; (2) operates a system of state liquor stores for the sale of spirituous beverages (liquors containing more than 21% alcohol by volume) to individuals and to holders of permits authorizing the sale of spirituous liquor; and (3) grants permits for and controls all phases of manufacturing, distribution, and sale of alcoholic beverages in Ohio. The Department of Taxation is involved mainly in the administration of the taxes on non-spirituous beverages (beer, malt beverages, wine, mixed beverages, and brewers wort and malt). This section of the Annual Report covers only the role of the Department of Taxation.

Before the repeal of Prohibition in 1933, the states played a secondary role to the federal government in regulating the sale of alcoholic beverages. However, after Prohibition was repealed, the states gained predominance. That same year, Ohio created the Department of Liquor Control and enacted tax levies on beer, wine and other non-spirituous beverages. Since 1933, there have been amendments to the law including excise tax increases and imposing the state sales tax on beer, malt beverages, wine, and mixed beverages.

Receipts from the excise taxes on beer, malt beverages, wine, and mixed beverages were $43.0 million in fiscal year 1985 compared with $41.7 million in fiscal year 1984.Three cents out of the tax on each gallon of wine is designated for research and study of grapes and grape products under the direction of the Ohio Grape Industries Committee.

TAX BASE:

Sale by volume of the following non-spirituous beverages (R.C. 4301.01):

Type of Product	Definition
Beer, Malt Liquor (or malt beverage)	Brewed or fermented malt product containing not less than 0.5% and not more than 6.0% alcohol by weight.
Wine (including sparkling wine and vermouth)	Fermented juices of grapes, fruits or other agricultural products and containing not less than 5% and not more than 21% of alcohol by volume.
Mixed Beverages	Mixture of wine or distilled spirits with carbonated or non-carbonated flavoring materials and containing not less than 5% and not more than 21% of alcohol by volume.
Malt	Liquid, solid, or extract made from cereal grains.
Brewers Wort	Liquid malt containing less than 15% solids by weight.

RATES:

Type of Product	Revised Code Section	Unit of Measure	Tax Rates
Beer and malt beverages in bottles or cans	4301.42	6 oz. or fractional part thereof	0.75¢ [(a)]
Beer and malt beverages in barrels	4305.01	31 gallons	$2.50
Wine (containing alcohol 5% by weight to 14% by volume)	4301.43 4301.432	Gallon	26¢
Wine (containing alcohol 14% to 21% by volume)	4301.43 4301.432	Gallon	62¢
Vermouth	4301.43 4301.432	Gallon	77¢
Sparkling and Carbonated Wine and Champagne	4301.43 4301.432	Gallon	$1.27
Mixed Beverages	4301.43	Gallon	80¢
Malt	4309.04	One pound or fractional part thereof	3¢
Brewers Wort	4309.04	Gallon	10¢

(a) The rate on bottles and cans having 12 ounces or less of liquid content is 1/8 of 1¢ per ounce.

TAXPAYER:

Type of Product	Revised Code Section	Taxpayer
Bottle and Canned Beer and Malt Beverages	4301.42	Manufacturer, Bottler, Canner, or Wholesale Dealer
Barrel Beer	4305.09	Manufacturer or Consignee
Wine	4301.43	Manufacturer, Bottler or Wholesale Dealer
Mixed Beverages	4301.43	Manufacturer, Wholesale Dealer. or Retail Dealer
Malt and Brewers Wort	4309.051	Wholesale Dealer or Retail Dealer

PAYMENT DATES (R.C. 4303.33):

Beer and malt beverages permit holders:

Advance payment: On or before the 18th of each month for that month's estimated tax liability.

Monthly payment: On or before the 10th of each month for the balance of the previous month's tax liability after advance payment credits.

PAYMENT DATES (cont'd):

Wine and mixed beverage permit holders:

Monthly payment: On or before the 18th of each month for the previous month's tax liability.

Malt and brewers wort:

Monthly payment: On or before the 10th of each month for the previous month's tax liability.

DISCOUNTS AND ADDITIONAL CREDITS (R.C. 4303.33):

Discounts and additional credit are in consideration for collecting and timely payment of tax liability by permit holders.

Beer and malt beverage permit holders:

Advance pay credit:	3% of the amount of tax received by the Treasurer of State by the 18th day of the month for which the tax is paid.
Discount:	On the balance of tax due (after the advance payment) if received by the Treasurer of State by the 10th day of the following month, the smaller of the following: 0.3% of the amount of the advance payment, or 3% of the net amount of tax due after deducting the advance payment.

Wine and mixed beverage permit holders:

3% discount on the amount of monthly payment if the payment is received on or before the 18th of the month for the previous month's tax liability.

EXEMPTIONS AND REFUNDS (R.C. 4301.23, 4303.332, 4303.333, 4307.05):

1) Sacramental wine used in religious rites.
2) Any licensed Ohio brewer whose total production, wherever produced, does not exceed 31,000,000 gallons in a calendar year will receive a credit against his excise tax the following year and a refund on any excise tax paid during the current year on up to 9,300,000 gallons of beer distributed in Ohio.
3) Any licensed Ohio wine producer whose sales in Ohio do not exceed 500,000 gallons in a calendar year will be granted an exemption from the excise tax during the following year and a refund on any excise tax paid during the current year.

DISPOSITION OF REVENUE (R.C. 924.51-924.55, 4301.43, 4301.432, 4301.46, 4305.01, 4307.02, 4309.04):

Grape Industries Special Account: 3¢ per gallon of the excise tax levied on wine is paid into this account to provide funds for research, development, and marketing of grape products in Ohio.

General Revenue Fund: Remainder of excise tax levied on wine and all of the excise tax levied on beer, malt beverages, mixed beverages, wort and malt.

OHIO REVISED CODE CITATIONS:

Chapters 924, 4301, 4303, 4305, 4307, 4309.

Table 9

ALCOHOLIC BEVERAGE TAX PAYMENTS AND CREDITS, FISCAL YEAR 1985

Type of Beverage	Gross Tax	Credits And Discounts	Net Tax Receipts
Beer and Malt Beverage			
Advance Tax Payments	$31,191,892	$1,097,833	$30,094,059
Payment With Return	5,870,342	65,663	5,804,679
Other Payments	451	-	451
Total	$37,062,685	$1,163,496	$35,899,189
Wine and Mixed Beverages			
Payment With Return	$ 7,327,245	$ 203,798	$ 7,123,447
Other Payments	233	-	233
Total	$ 7,327,478	$ 203,798	$ 7,123,680
Brewers' Wort and Malt			
Payment With Return	194	-	194
Grand Total	$44,390,357	$1,367,294	$43,023,063

Table 10

ALCOHOLIC BEVERAGE TAX LIABILITY, AS REPORTED ON RETURNS, FISCAL YEARS 1983, 1984, AND 1985

	Amount Of Tax Liability		
Type of Beverage	1983	1984	1985
Beer and Malt Beverage	$36,050,851	$36,021,541	$37,524,631
Wine 14% or less alcohol	2,601,183	2,645,612	2,975,999
Wine 14-21% alcohol	1,437,824	1,354,849	1,274,522
Mixed Beverages	821,581	925,923	1,158,413
Vermouth	184,833	160,422	163,472
Sparkling Wine	1,126,794	1,204,680	1,280,188
Total	$42,223,066	$42,313,027	$44,377,225

Note: Amounts represent tax liability as opposed to tax payments in Table 9.

CIGARETTE TAX

An excise tax on cigarettes has been levied in Ohio since 1931. From an initial tax of two cents per pack, the rate was increased gradually over the years until it reached fifteen cents per pack in 1971. This rate remained in effect until 1981, when it was reduced to fourteen cents. At that time, however, cigarettes became subject to the Ohio sales tax.

The excise tax on cigarettes is made up of two separate levies on each cigarette: one levy of .65¢ and the other .05¢ for a total of 0.7¢ per cigarette, or 14¢ per standard package of 20 cigarettes. The tax is paid primarily by wholesale dealers through the purchase of stamps or meter impressions (tax indicia) that are affixed to cigarette packs. The Ohio Tax Commissioner may authorize dealers to purchase the tax indicia on credit payable within thirty days. Over 80% of the tax stamps and meter impressions are purchased on a credit basis. Retailers, individuals, and other consumers are responsible for paying the tax on cigarettes not taxed at the wholesale dealer level.

The .65¢ levy is credited to the state general revenue fund while receipts from the .05¢ tax are earmarked for retirement of educational, recreational, and public building construction bonds. In fiscal year 1985, total receipts were $186 million.

TAX BASE:

The sales of cigarettes in Ohio (R.C. 5743.02, 5743.023).

The use, consumption, or storage for consumption of cigarettes in Ohio (R.C. 5743.32, 5743.322).

RATES:

Although the tax enacted applies to each cigarette, the rates below are in terms of packs of 20 and 25 cigarettes.

Ohio Revised Code Section	Tax Rate Per Pack of 20	Tax Rate Per Pack of 25
5743.02 (Sale) 5743.32 (Use)	13¢	16.25¢
5743.023 (Sale) 5743.322 (Use)	1¢	1.25¢
Total Rate Per Pack	14¢	17.50¢

EXEMPTION (R.C. 5743.05):

Cigarettes sold in interstate or foreign commerce or to United States appropriated fund activities.

TAXPAYER (R.C. 5743.01):

Wholesale Dealer	Those who purchase cigarettes directly from manufacturers, producers, and importers; and who then sell cigarettes to others (retailers) for the purpose of resale.
Retail Dealer	Includes everyone, other than a wholesale dealer, engaged in the sale of cigarettes. Retailer dealers must remit the tax on any cigarettes not previously taxed.

TAXPAYER (cont'd):

Persons	Individuals, companies, and other consumers who have cigarettes in their possession on which the excise tax has not been paid.

METHOD OF TAX PAYMENT:

Over 80% of the cigarette excise tax is paid through credit purchases of stamp and meter impressions and almost 20% by cash payment. When it is more practicable to collect the tax without the use of stamps or meter impressions (for example, manufacturers' gift samples), the tax is paid with returns or by direct payment to the Ohio Treasurer of State.

Method of Payment	Ohio Revised Code Section	Description of Payment
Credit Payment	5743.05	The Tax Commissioner may authorize wholesale dealers to purchase stamps and meter impressions on credit payable within thirty days. For out-of-state dealers, this applies only if that state allows Ohio dealers the same credit.
Cash Payment	5743.03	Dealers are required to pay for stamps and meter impressions at the time of purchase unless they have been authorized to make credit purchases.
Direct Payment	5743.33	Direct payments are made primarily by manufacturers on gift samples of cigarettes, but also include assessments and deficiency payments, and voluntary payments by consumers.

TAX RETURN DATES:

Wholesale dealers are required to file a semi-annual return even though they may have paid all their tax through the purchase of stamps and meter impressions. Any payment due on cigarettes not previously taxed is included.

Others who have untaxed cigarettes file a monthly use tax return along with their tax.

Type of Return	Filing Date	Revised Code Section	Taxpayer
Semi-annual	By July 31 for the preceding January-June period. By January 31 for the preceding July-December period	5743.03	Wholesale dealers
Monthly	By the 15th of each month for the preceding month	5743.33	Use tax returns

DISCOUNT (R.C. 5743.05):

As a consideration for affixing and cancelling cigarette stamps and meter impressions, retail and wholesale dealers receive a discount of 3.6% of 13/14 of the face value of stamps and meter impressions whether purchased for cash or on credit. The discount does not apply to use tax return payments.

DISPOSITION OF REVENUE:

Tax Rate	Revised Code Section	Disposition of Revenue
0.65¢ per cigarette	5743.02	State General Revenue Fund
0.05¢ per cigarette	5743.023	Payment for retirement of bonds issued pursuant to Article VIII, Section 2f of the Ohio Constitution

OHIO REVISED CODE CITATIONS:

Chapter 5743.

Table 11

CIGARETTE EXCISE TAX RECEIPTS
FISCAL YEAR 1985

Type of Payment	Gross Tax	Discount Allowed	Net Tax Collected
Credit Payments	$167,709,488	$5,586,002	$162,123,486
Cash Payments	24,012,215	799,789	23,212,426
Direct Payments	620,273	- -	620,273
Total	$192,341,976	$6,385,791	$185,956,185

SOURCE: Treasurer of State.

CORPORATION FRANCHISE TAX

The Ohio corporation franchise tax has two alternative tax bases: a net worth base and a net income base. Corporations are required to compute their tax liability under each base and pay the higher of the two, except for financial institutions which compute their tax only on net worth. Net collections from the tax were $732.7 million in fiscal year 1985.

The tables in this section show data on the distribution of the corporation franchise tax among the alternative tax bases for various industrial classifications and tax liability classes. The data for these tables were taken from the franchise tax returns filed for tax year 1984. Nearly all such returns were filed in the period between January and May of 1984. Therefore, taxes from these returns were primarily collected during fiscal year 1984. The total reported liability after credits for all corporations except financial institutions for tax year 1984 was $526.5 million. The reported liability (including surtax) before credits was $577.7 million, but tax credits reduced the net liability to $526.5 million. About 70.9% of the total tax liability before credits was based on net income compared to 27.6% based on net worth. The remainder of the tax was either collected from the minimum tax or the proper tax base was not reported. While about 71% of the tax liability was based on net income, only about 29% of the corporations paid the tax on net income. About 36% of the corporations paid the tax based on net worth and another 33% paid the minimum tax. These data exclude the returns of financial institutions which are shown in the final table.

TAX BASE (R.C. 5709.65, 5733.05, 5733.051):

The total value of the corporation's issued and outstanding shares of stock (corporations doing business only in Ohio), or the portion of the value of its issued and outstanding shares of stock attributable to Ohio (corporations doing business both inside and outside of Ohio) forms the base of the corporation franchise tax. Two alternative methods are provided for the measurement of this value:

1. Net Worth Base

This is determined by computing the total book value of the corporation's capital, surplus, undivided profits, and reserves (unless excluded by statute — see **"Exemptions and Exclusions"** section). For calendar year corporations, net worth is determined as of the end of the preceding calendar year; for fiscal year corporations, net worth is determined as of the end of the fiscal year ending in the preceding calendar year. The Ohio net worth of interstate corporations is apportioned to Ohio — 50% on the basis of property owned and used in Ohio and 50% on the basis of business done in Ohio. (For sales of tangible personal property, business done is determined by the final destination of the property sold; other sales are allocated according to where the income-producing activity takes place.) For interstate corporations, the formula for determining Ohio net worth is as follows:

$$\text{Taxable Value} = \frac{\text{Book Value of Ohio Property}^{*}}{\text{Book Value of Total Property}^{*}} \times \frac{\text{Share Value}}{2} + \frac{\text{Ohio Business}^{\dagger}}{\text{Total Business}^{\dagger}} \times \frac{\text{Share Value}}{2}$$

* Excludes value of pollution control, coal conversion, solid waste energy conversion, thermal efficiency improvement, energy conversion facilities, and qualified property in an enterprise zone.

† Excludes sales subject to capital gains treatment.

TAX BASE (con't.):

2. Net Income Base (Does not apply to financial institutions)

This is determined by the corporation's Ohio net income (equal to the Ohio portion of federal taxable income with exclusions and additions required by state statute -- see **"Exemptions and Exclusions"** and **"Special Provisions"** sections). For calendar year corporations, net income is computed for the preceding calendar year; for fiscal year corporations, net income is computed for the fiscal year ending in the preceding calendar year. For corporations operating only in Ohio, the total net income of the corporation is attributable to Ohio. For interstate corporations, income is allocated or apportioned to Ohio as follows:

a) Allocated Income

The following types of income are allocated within or without Ohio on the basis of location, commercial situs, situs at time of sale, or location of business activity:

1) net rents and royalties from real and personal property;
2) capital gains and losses from the sale or other disposition of real, tangible, and intangible property;
3) dividends;
4) net patent and copyright royalties (not representing principal source of gross receipts);
5) technical assistance fees.

b) Apportioned Income

Income from all non-allocated sources is apportioned to Ohio according to a three-factor formula with equally-weighted property and payroll factors and a double-weighted sales factor as follows (unless Tax Commissioner approves or requires alternative method of apportionment):

$$\begin{array}{c}\text{Ohio Apportioned}\\ \text{Net Income}\end{array} = \begin{array}{c}\text{Total Net Corporation}\\ \text{Apportionable Income}\end{array} \times \frac{\text{Property + Payroll + Sales + Sales Factors}}{4}$$

These factors are computed as follows:

$$\text{Property Factor}^{*} = \frac{\begin{array}{c}\text{Average cost of owned or rented real and tangible}\\ \text{personal property used in business in Ohio}\end{array}}{\text{Average cost of such property used everywhere}}$$

$$\text{Payroll Factor}^{\dagger} = \frac{\text{Total compensation paid in Ohio}}{\text{Total compensation paid everywhere}}$$

$$\text{Sales Factor}^{\#} = \frac{\text{Sales in Ohio}}{\text{Sales everywhere}}$$

* Excludes cost of pollution control, coal conversion, solid waste energy conversion, thermal efficiency improvement, energy conversion facilities, property that generates rental income, and property in a qualified facility in an "urban jobs and enterprise zone."

† Excludes compensation to certain employees at a qualified facility in "an urban jobs and enterprise zone."

For sales of tangible personal property, sales inside and outside of Ohio are determined by the final destination of the property sold; other sales are sitused according to where the income-producing activity takes place. Sales included under allocated income are not included in this factor.

c) Allocated and Apportioned Income

The sum of Ohio's allocable and apportionable income equals Ohio taxable net income to which the tax rate is applied.

RATES:

I. General Rates for all corporations except Financial Institutions (R.C. 5733.06):

The tax rates for the two alternative tax bases are:

Net Worth -- 5.82 mills on the taxable value of the corporation; or

Net Income -- 5.1% on the first $25,000 of taxable income plus 9.2% on taxable income in excess of $25,000.

Corporations pay the greater of the two tax liabilities computed under the alternative tax bases, (after deducting credits)--with a minimum tax liability of $50 for all corporations. Corporations which pay on net income are subject to a 5.4% surtax.

II. Additional Litter Tax Rates for Tax Years 1981 to 1986 (Sections 3 and 8 of H.B. 361, effective July 14, 1980):

A. The tax rates for the two alternative tax bases for all corporations except "litter stream corporations" and financial institutions are:

Net Worth -- 0.14 mill on the taxable value of the corporation; or

Net Income -- 0.11% on the first $25,000 of taxable income plus 0.22% on taxable income in excess of $25,000.

The additional tax charged any taxpayer or group of combined taxpayers under these rates is limited to a maximum of $5,000.

B. The litter tax rates for the two alternative tax bases for corporations manufacturing or selling "litter stream products"* are:

Net Worth -- 0.28 mill on the taxable value of the corporation; or

Net Income -- 0.11% on the first $25,000 of net income plus 0.44% on taxable income in excess of $25,000.

The additional tax charged any taxpayer or group of combined taxpayers under these rates is limited to a maximum of $10,000.

*"Litter stream products" include: (1) alcoholic beverages; (2) soft drinks; (3) soft drink and alcoholic beverage containers and container closures; (4) packaging materials for alcoholic beverages and soft drinks; (5) packaging materials used in serving take-out food; and (6) cigarettes, cigars, tobacco, matches, candy and gum. Manufacturers are subject to this additional tax if the sale of litter stream products exceeds 5% of total sales or total sales of litter stream products in Ohio exceed $10 million. Corporations selling litter stream products are not subject to the tax unless litter stream products account for at least 5% of total sales. Restaurants are not subject to the tax unless at least 5% of their sales are take-out sales.

III. Financial Institutions Rate (R.C. 5733.06 and Section 167 of H.B. 291 effective July 1, 1983).

A. Rates on net worth (net income base does not apply)
   1. Tax years 1984 and 1985--21.47 mills for savings and loans
      --16.54 mills for all other financial institutions
   2. Tax years 1986 and thereafter--15 mills

CREDITS (R.C. 5709.65, 5733.061, 5733.062, 5733.063):

Credits allowed are:

(1) A credit equal to the difference between (1) the tangible property taxes actually paid in the taxable year on machinery and equipment used in manufacturing or refining and acquired in 1978 and thereafter; and (2) the taxes that would have been paid on such property if it had been assessed at 20% (this percentage will increase by one percentage point per year over the period from 1989-1993) of true value instead of the actual percentage. If this credit exceeds the franchise tax liability in any year, the excess credit may be carried forward to offset liability for the following 3 years.

(2) A credit equal to 10% of the cost of acquiring and installing solar, wind, or hydrothermal energy systems on or before December 31, 1985, in buildings owned and operated by the corporation in Ohio. This credit may not exceed the tax liability and can only be taken in the taxable year the system is installed — no carryover of excess credit is allowed.

(3) A credit equal to 50% of cash donations for litter control made to municipalities, counties, and townships which qualify for grants from the litter control and recycling special account. This credit is limited to 50% of the additional tax liability from the litter tax rates for tax years 1981 to 1986.

(4) A credit for qualified non-retail corporations locating in "urban jobs and enterprise zones" equal to:

  a) the amount reimbursed to specified employees for the cost of day care services up to a maximum of $300 per child;
  b) the amount reimbursed to specified employees for training costs up to a maximum of $1,000 per employee.

(5) A credit equal to the difference between the assessment paid by a state-chartered savings and loan association to the Division of Savings and Loans and the amount paid in supervisory fees to the Federal Savings and Loan Insurance Corporation (FSLIC) or in the case of an association not insured by the FSLIC, the amount it would have paid if so insured.

EXEMPTIONS AND EXCLUSIONS:

Corporations not subject to tax (R.C. 1733.43, 5733.01, 5733.09, and 5733.10):

1. nonprofit corporations (except certain agricultural and consumer cooperatives);
2. municipal corporations;
3. public utilities subject to public utility excise tax;
4. credit unions;
5. dealers in intangibles subject to intangibles taxes imposed by R.C. 5707.03;
6. corporations required to file annual reports with the superintendent of insurance;
7. "real estate investment trust" and "regulated investment companies" as defined in the Internal Revenue Code.

EXEMPTIONS AND EXCLUSIONS (con't.):

Assets excluded when computing the corporation's net worth (R.C. 5709.25, 5709.35, 5709.50, 5709.65, 5733.05 5915.29):

1. certain valuation reserves;
2. taxes due and payable;
3. good will, appreciation, and abandoned property;
4. specified investments in public utilities, insurance companies, and financial institutions in which the taxpayer has the ownership interests as required by statute (investments and business attributed to these companies are also eliminated in determining the property and business fractions for apportioning net worth);
5. certified pollution control facilities;
6. certain facilities designed to convert coal into other fuels or to desulphurize coal (assests excluded for 30 years);
7. certified civil defense structures;
8. certified energy conversion, thermal efficiency improvement, and solid waste energy conversion facilities;
9. voting stock and participation certificates of production credit associations;
10. land valued for real estate tax purposes as land devoted exclusively to agricultural use.

Exempt income and deductions from the net income base (R.C. 5733.04, 5709.35):

1. certain income from sources outside the United States;
2. specified dividends from other corporations;
3. dividends received from public utilities, insurance companies, and financial institutions in which the taxpayer has the ownership interests required by statute (receipts from these companies are eliminated in determining the sales factor for apportioning net income);
4. gains from the sale of capital assets where such gains occurred prior to addition of income base (losses from such sales may not be deducted from income);
5. income arising from facilities designed to convert coal into other fuels or to desulphurize coal (exempt for 30 years);
6. amount of payroll excluded for the federal "targeted jobs credit";
7. net interest income on obligations of the federal government.

TAXPAYER (R.C. 5733.01):

Corporate franchise tax is imposed on all domestic corporations organized for profit under Ohio law, except corporations which are exempted by statute. The tax must also be paid by nonprofit agricultural and consumer cooperatives which are organized under Chapter 1729 of the Ohio Revised Code. All foreign corporations organized for profit which are doing business in Ohio, or authorized to do business in Ohio, must also pay the corporate franchise tax. Small business corporations that elect under federal law not to be subject to the federal corporate income tax are still subject to the Ohio corporate franchise tax. The tax is imposed for the privilege of doing business in Ohio during the year in which the tax is payable.

PAYMENT DATES (R.C. 5703.47, 5733.02, 5733.021, 5733.13):

January 31 -- By this date, the corporation must file either a final return and make full payment of the tax due, or an estimated return of its full tax liability and pay one-third of that estimated liability. If the estimated full tax liability is less than the minimum tax of $50, the corporation must make full payment of $50.

March 31 -- By this date, the corporation must file either a final return and pay the difference between its full liability and first estimated payment, or (if a time extension has been granted by the Tax Commissioner) it must file another estimated return and pay another one-third of its estimated tax liability

PAYMENT DATES (R.C. 5703.47, 5733.02, 5733.021, 5733.13) (cont'd):

May 31 — By this date, a corporation which received an extension of time for filing past March 31 must either file a return and pay the difference between its full liability and its estimated payments made earlier, or pay the remaining one-third of its estimated tax liability (if it is granted an extension for filing past May 31). A corporation receiving this extension must file its annual report and pay any remaining tax liability by the 15th day of the month following the final due date for filing its federal corporation income tax return.

The interest rate charged on any underpayment of estimated tax payments in a year is determined from the discount rate at the Cleveland federal reserve bank as of October 15th of the previous year.

DISPOSITION OF REVENUE (R.C. 5733.12):

The amount appropriated annually for administration of the "litter" tax is credited to the litter control and recycling tax administration account. In addition, $5 million is credited to the litter control and recycling account every six-month period through June, 1986. Remainder is credited to the state General Revenue Fund with 15.4% subsequently transferred to the Local Government Fund.

OHIO REVISED CODE CITATIONS:

Chapter 5733.

ADMINISTRATIVE FEATURES (R.C. 5733.02, 5733.11, 5733.052):

Shared Administration:

Although tax payments and annual reports of corporations are filed with the Treasurer of State, the Tax Commissioner is principal administrator of the tax, with the Treasurer acting as collector of the tax. All corporate franchise reports received by the Treasurer are transmitted to the Commissioner showing the amount of tax remitted with the report and the date it was received. If a corporation required to file a return fails to file the return within the prescribed time, files an incorrect report, or fails to remit the full amount of the tax due, the Commissioner may make an assessment against the corporation for the tax due.

Combined Report:

When more than half of the capital stock with voting rights of a corporation is owned or controlled by another corporation subject to the tax, the Tax Commissioner is authorized to permit or require the combining of net income for purposes of calculating the tax base. Two or more corporations subject to the tax which meet the above requirements may elect to file a combined report if the combination sets forth the information required by the Commissioner and each of the corporations has non-dividend income from sources within Ohio. Once made, this election may not be changed by the taxpayer without the Commissioner's consent. (See Tax Commissioner Rule 5703-5-06).

SPECIAL PROVISIONS (R.C. 5733.041)

A portion of the depreciation deduction is required to be added back to net income. The amount added back equals 25% of the depreciation deduction allowed under Section 168 of the Internal Revenue Code (Accelerated Cost Recovery System Depreciation). One-fifth of the depreciation added back to net income may be deducted from net income in each of the next 5 tax years if tax was paid on the net income basis in the year the depreciation was added back.

RECENT LEGISLATION:

House Bill 238, effective July 1, 1985

R.C. 5733.05: Excludes value of property used exclusively for qualified research from net worth base and from the calculation of property factors for both net income and net worth apportionment formulas. Excludes compensation for qualified research from the calculation of the payroll factor for the net income apportionment percentage. This exclusion first applies in tax year 1987.

R.C. 5733.06: Reduces surtax applied to income base liabilities from 5.4% to 2.7% for tax year 1987 and repeals surtax for tax year 1988 and thereafter.

Section 5:Extends additional litter tax rates for tax years 1987 through 1991.

Section 7: Extends crediting of $5 million to litter control and recycling account every six months through June, 1991. Extends additional litter tax rate on "litter-stream" corporations through 1991. Also extends credit for litter-control donations through 1991.

Senate Bill 123, effective September 23, 1985.

R.C. 5733.05: Abolishes the requirement that corporations file certified balance sheets to support claims to exclude good will, appreciation, and abandoned property from net worth unless requested by Tax Commissioner.

Senate Bill 121, effective October 17, 1985.

R.C. 5733.01 and 5733.09: Exempts "S" corporations from the franchise tax. "S" Corporations are corporations electing under federal law not to be subject to the federal corporate income tax. Corporations must file notice of such elections with the Tax Commissioner. This exemption first applies in tax year 1987.

RECENT SIGNIFICANT COURT DECISIONS:

Pneumo Corp. & Subs. v. Lindley, Board of Tax Appeals Case No. 82-G-195, November 19, 1984.

For taxable years ending prior to July 2, 1981, taxpayers who met the ownership or control requirements of R.C. 5733.052 (A), and who properly filed their original franchise tax reports for the taxable year on a separate basis, had the right to elect under R.C. 5733.052 (B) to file amended combined reports.

Sheller-Globe Corp. v. Lindley, Board of Tax Appeals Case No. 81-B-331, February 6, 1985.

A combination elected under R.C. 5733.052 (B) by two or more taxpayers cannot be amended, without the Tax Commissioner's consent, to add additional taxpayers that could have been included in the combination as originally elected.

Table 12

CORPORATE FRANCHISE TAX COLLECTIONS, FISCAL YEARS 1981-1985

Fiscal Year	Gross Tax Collections	Refunds	Net Tax Collections
1981	$583,874,100	$28,537,144	$555,336,956
1982	670,041,558	33,030,170	637,011,388
1983	615,472,766	134,448,763*	481,024,003
1984	713,850,212	57,423,435	656,426,777
1985	831,361,296	98,695,314	732,665,982

* Increase due primarily to court decisions requiring refunds.

SOURCE: Ohio Office of Budget and Management.

Table 13

NUMBER OF CORPORATIONS, BY TAX BASE AND INDUSTRY, TAX YEAR 1984

	Number of Corporations by Tax Base				
Industry	Minimum	Net Worth	Net Income	Not Reported[a]	Total
Agriculture & Forestry	110	127	71	5	313
Mining	620	812	395	30	1,857
Construction	3,659	4,311	2,421	128	10,519
Manufacturing	3,372	6,679	4,933	180	15,164
Transportation	1,458	1,449	1,180	45	4,132
Wholesale Trade	2,483	4,087	3,286	82	9,938
Retail Trade	5,784	7,662	5,972	179	19,597
Finance	4,850	6,030	3,958	133	14,971
Service	9,787	9,124	10,460	165	29,536
Unknown[b]	11,106	6,636	5,133	191	23,066
Total	43,229	46,917	37,809	1,138	129,093

(a) Data as initially supplied by taxpayers were insufficient to determine the proper tax base for these corporations.

(b) Industry classification was not indicated by taxpayer.

Table 14

NUMBER OF CORPORATIONS, BY TAX BASE AND TAX LIABILITY CLASS, TAX YEAR 1984

	Number of Corporations By Tax Base				
Tax Liability Class	Minimum	Net Worth	Net Income	Not Reported[a]	Total
Minimum	43,229	-	-	-	43,229
$ 50 - 1,000	-	27,696	11,606	1,005	40,307
1,000 - 2,000	-	6,762	6,524	31	13,317
2,000 - 3,000	-	5,452	5,426	20	10,898
3,000 - 4,000	-	2,216	2,790	13	5,019
4,000 - 5,000	-	1,074	2,161	8	3,243
5,000 - 10,000	-	688	1,451	5	2,144
10,000 - 15,000	-	1,433	3,433	17	4,883
15,000 - 20,000	-	466	1,230	5	1,701
20,000 - 25,000	-	259	659	1	919
25,000 - 30,000	-	156	439	2	597
30,000 - 35,000	-	125	309	0	434
35,000 - 50,000	-	211	561	7	779
50,000 - 100,000	-	195	618	10	823
100,000 - 200,000	-	83	234	4	321
200,000 - 500,000	-	72	266	10	348
$500,000 & Over	-	29	102	0	131
Total	43,229	46,917	37,809	1,138	129,093

(a) Data as initially supplied by taxpayers were insufficient to determine the proper tax base for these corporations.

Table 15

REPORTED TAX LIABILITY, BY TAX BASE AND INDUSTRY, TAX YEAR 1984

	Tax Liability Before Surtax and Credits By Tax Base										
Industry	Minimum	Net Worth	Net Income	Not Reported[a]	Total	Surtax	Litter[b] Tax (Tier 1)	Litter[b] Tax (Tier 2)	Property Tax Credits	Energy & Litter Credits	Tax Liability After Credits
Agriculture & Forestry	$ 10,208	$ 188,059	$ 358,849	$ 6,192	$ 563,308	$ 24,569	$ 12,677	$ 537	$ 7,795	-0-	$ 593,298
Mining	61,900	7,500,667	5,609,400	265,821	13,437,788	395,718	250,309	6,218	692,808	-0-	13,409,777
Construction	305,054	4,921,423	10,892,149	167,078	16,285,704	714,298	358,271	13,715	134,573	-0-	17,238,681
Manufacturing	378,475	78,925,450	204,102,812	1,378,376	284,785,113	11,839,140	3,633,295	250,123	65,149,652	$20,760	244,181,855
Transportation	187,145	5,949,436	20,631,387	83,730	26,851,698	1,165,460	401,279	7,344	172,369	750	28,275,199
Wholesale Trade	222,683	10,224,429	39,141,242	109,397	49,697,751	2,383,942	929,600	104,943	1,134,891	3,030	52,073,082
Retail Trade	498,894	14,955,156	45,319,741	1,249,514	62,023,305	2,882,124	1,098,400	231,384	225,418	2,631	66,014,596
Finance	425,052	13,955,570	14,383,234	386,271	29,150,127	966,880	628,675	69,299	198,599	51	30,619,927
Service	863,988	6,357,542	30,166,570	407,472	37,795,572	1,826,026	849,674	55,693	218,470	3,918	40,376,033
Unknown[c]	1,009,401	9,816,397	22,337,997	388,828	33,552,623	1,396,570	617,532	31,878	2,034,236	535	33,738,416
Total	$3,962,800	$152,794,129	$392,943,381	$4,442,679	$554,142,989	$23,594,727	$8,779,712	$771,134	$69,968,811	$31,675	$526,520,864

(a) Data as initially supplied by taxpayers were insufficient to determine the proper tax base for these corporations.

(b) Tier 1 of litter tax is paid by all corporations. Tier 2 of litter tax is paid by only "litter stream" corporations.

(c) Industry classification was not indicated by taxpayer.

Table 16

REPORTED TAX LIABILITY, BY TAX BASE AND TAX LIABILITY CLASS, TAX YEAR 1984

Tax Liability Class	Tax Liability Before Surtax and Credits By Tax Base					Surtax	Litter[b] Tax (Tier 1)	Litter[b] Tax (Tier 2)	Property Tax Credits	Energy & Litter Credits	Tax Liability After Credits
	Minimum	Net Worth	Net Income	Not Reported[a]	Total						
Minimum	$3,962,800	--	--	--	$ 3,962,800	$ 115,400	$ 23,107	$ 16,602	$ 1,407,589	$ 283	$ 4,111,295
$ 50 - 1,000	--	$ 15,461,132	$ 3,723,207	$ 148,178	19,332,517	383,061	330,745	43,942	19,875,583	13,594	8,031,944
1,000 - 2,000	--	4,806,391	4,448,238	22,798	9,277,427	350,832	230,865	12,529	274,472	371	9,597,422
2,000 - 3,000	--	7,669,965	7,130,340	29,663	14,829,968	553,294	368,590	33,437	538,697	2,899	15,243,695
3,000 - 4,000	--	5,470,803	6,501,644	32,067	12,004,514	468,225	297,427	34,180	491,300	811	12,312,238
4,000 - 5,000	--	3,720,870	7,089,220	26,587	10,836,677	461,104	262,876	19,233	322,230	-0-	11,257,664
5,000 - 10,000	--	3,162,754	6,122,426	22,721	9,307,901	392,859	227,196	13,146	343,731	176	9,597,197
10,000 - 15,000	--	10,332,691	22,860,991	124,698	33,318,580	1,459,101	825,726	103,745	1,540,192	1,003	34,165,963
15,000 - 20,000	--	6,259,660	14,342,703	68,447	20,670,810	883,886	503,503	58,484	1,314,569	4,307	20,797,808
20,000 - 25,000	--	4,669,304	10,951,634	17,367	15,638,305	689,166	367,552	49,001	803,595	-0-	15,940,431
25,000 - 30,000	--	3,917,198	9,395,024	46,439	13,358,661	583,187	316,960	13,877	931,669	-0-	13,341,018
30,000 - 35,000	--	3,781,522	8,051,050	-0-	11,832,572	483,139	280,682	11,541	741,255	2,000	11,864,682
35,000 - 50,000	--	8,352,366	19,402,296	269,793	28,024,455	1,159,177	653,071	48,535	1,489,101	1,000	28,395,145
50,000 - 100,000	--	12,904,766	37,966,357	689,921	51,561,044	2,315,312	1,203,121	56,598	2,442,588	4,231	52,689,271
100,000 - 200,000	--	11,268,830	26,837,984	484,124	38,590,938	1,632,974	863,662	59,737	2,924,368	-0-	38,222,948
200,000 - 500,000	--	20,893,412	64,821,456	2,459,676	88,174,544	3,722,480	1,434,981	126,585	5,994,418	1,000	87,463,178
$500,000 & Over	--	30,122,465	143,298,811	-0-	173,421,276	7,941,530	589,648	69,962	28,533,454	-0-	153,488,965
Total	$3,962,800	$152,794,129	$392,943,381	$4,442,679	$554,142,989	$23,594,727	$8,779,712	$771,134	$69,968,811	$31,675	$526,520,864

(a) Data as initially supplied by taxpayers were insufficient to determine the proper tax pace for these corporations.

(b) Tier 1 of litter tax is paid by all corporations. Tier 2 of litter tax is paid by only "litter stream" corporations.

Table 17

NUMBER OF MANUFACTURING CORPORATIONS BY TAX BASE AND INDUSTRY CLASSIFICATION, TAX YEAR 1984

Industry	Number of Corporations By Tax Base: Minimum	Net Worth	Net Income	Not Reported[(a)]	Total
Food	222	395	381	11	1,009
Tobacco Manufactures	5	5	9	--	19
Textile Mill Products	12	27	28	--	67
Apparel and Other Textiles	64	89	84	--	237
Lumber and Wood Products	112	240	126	7	485
Furniture and Fixtures	71	87	85	2	245
Paper	38	135	130	3	306
Printing and Publishing	357	503	548	14	1,422
Chemicals	171	364	358	7	900
Petroleum and Coal	47	68	38	1	154
Rubber and Plastics	167	294	330	17	808
Leather Products	12	30	27	--	69
Stone, Clay & Glass Products	120	327	181	7	635
Primary Metal	110	251	90	8	459
Fabricated Metal	802	1,832	1,176	40	3,850
Machinery (non-electrical)	342	867	435	28	1,672
Electrical Machinery	294	483	352	5	1,134
Transportation Equipment	128	208	121	8	465
Instruments and Related Products	76	130	115	8	329
Miscellaneous Manufacturing	222	344	319	14	899
Total	3,372	6,679	4,933	180	15,164

(a) Data as initially supplied by taxpayers were insufficient to determine proper tax base for these corporations.

Table 18

NUMBER OF MANUFACTURING CORPORATIONS, BY TAX BASE AND TAX LIABILITY CLASS, TAX YEAR 1984

Tax Liability Class	Number of Corporations By Tax Base: Minimum	Net Worth	Net Income	Not Reported[(a)]	Total
Minimum	3,372	-	-	-	3,372
$ 50 - 1,000	-	3,057	799	153	4,009
1,000 - 2,000	-	876	482	2	1,360
2,000 - 3,000	-	856	530	3	1,389
3,000 - 4,000	-	447	328	3	778
4,000 - 5,000	-	237	281	-	518
5,000 - 10,000	-	157	231	1	389
10,000 - 15,000	-	413	678	6	1,097
15,000 - 20,000	-	144	321	-	465
20,000 - 25,000	-	96	203	-	299
25,000 - 30,000	-	55	157	1	213
30,000 - 35,000	-	56	103	-	159
35,000 - 50,000	-	82	214	2	298
50,000 - 100,000	-	100	278	4	382
100,000 - 200,000	-	47	111	3	161
200,000 - 500,000	-	40	153	2	195
$500,000 & Over	-	16	64	-	80
Total	3,372	6,679	4,933	180	15,164

(a) Data as initially supplied by taxpayers were insufficient to determine the proper tax base for these corporations.

Table 19

REPORTED TAX LIABILITY FOR MANUFACTURING CORPORATIONS, BY TAX BASE AND INDUSTRY CLASSIFICATION

TAX YEAR 1984

	Tax Liability Before Surtax and Credits By Tax Base										
Industry	Minimum	Net Worth	Net Income	Not Reported[(a)]	Total	Surtax	Litter[(b)] Tax (Tier 1)	Litter[(b)] Tax (Tier 2)	Property Tax Credits	Energy & Litter Credits	Tax Liability After Credits
Food	$ 30,750	$ 3,115,580	$ 20,581,071	$ 326,776	$ 24,054,177	$ 1,187,597	$ 335,781	$101,910	$ 2,200,923	$ 3,300	$ 23,617,680
Tobacco Manufactures	250	18,766	4,099,778	-0-	4,118,794	188,333	25,280	24,158	1,765	-0-	4,354,800
Textile Mill Products	800	351,106	367,841	-0-	719,747	25,348	17,123	2,187	29,139	-0-	736,851
Apparel and Other Textiles	4,405	279,389	1,388,849	-0-	1,672,643	84,705	40,495	-0-	61,962	-0-	1,735,931
Lumber and Wood Products	10,150	1,051,523	1,309,309	86,778	2,457,760	81,978	56,996	458	235,049	-0-	2,362,965
Furniture and Fixtures	5,500	631,638	1,309,337	300	1,946,775	78,241	36,583	1,393	143,403	-0-	1,919,638
Paper	4,850	3,718,614	4,500,026	472	8,223,962	267,384	155,340	5,951	4,522,355	-0-	6,526,319
Printing and Publishing	30,356	1,454,066	17,597,194	115,745	19,197,361	979,112	277,139	704	1,556,390	-0-	19,072,166
Chemicals	16,657	9,038,778	27,808,409	8,658	36,872,502	1,676,627	423,059	14,135	5,465,731	2,049	33,899,790
Petroleum and Coal	3,800	10,830,994	1,721,810	6,360	12,562,964	97,203	97,369	50	1,268,270	-0-	11,526,411
Rubber and Plastics	16,189	3,347,908	9,246,452	10,239	12,620,788	519,952	209,201	15,125	2,072,643	161	11,389,986
Leather Products	1,050	143,898	2,237,187	-0-	2,382,135	126,936	16,428	1	55,653	-0-	2,469,881
Stone, Clay & Glass Products	11,185	4,478,375	6,429,720	1,050	10,920,330	368,768	143,504	12,073	2,545,654	-0-	9,085,504
Primary Metal	70,950	10,717,715	3,259,333	136,680	14,184,678	234,386	186,211	4,064	9,080,231	-0-	8,673,059
Fabricated Metal	77,742	7,425,378	22,240,909	14,583	29,758,612	1,352,674	609,677	40,181	4,810,673	12,760	27,479,534
Machinery (non-electrical)	31,850	7,881,189	17,828,414	383,304	26,124,757	1,073,366	280,644	7,888	5,060,093	-0-	23,462,993
Electrical Machinery	26,700	5,763,224	31,216,403	8,465	37,014,797	1,727,049	332,253	9,081	5,142,765	1,174	33,982,474
Transportation Equipment	12,208	6,225,791	22,259,118	116,281	28,613,398	1,274,504	171,542	500	20,012,520	-0-	10,619,052
Instruments and Related Products	5,780	1,579,389	2,470,038	2,761	4,057,968	145,555	87,274	3,407	293,941	-0-	4,041,873
Miscellaneous Manufacturing	17,303	872,124	6,231,614	159,924	7,280,965	349,420	131,396	6,857	590,492	1,316	7,224,948
Total	$378,475	$78,925,450	$204,102,812	$1,378,376	$284,785,113	$11,839,138	$3,633,295	$250,123	$65,149,652	$20,760	$244,181,855

(a) Data as initially supplied were insufficient to determine the proper tax base for these corporations.

(b) Tier 1 of litter tax is paid by all corporations. Tier 2 of litter tax is paid by only "litter stream" corporations.

Table 20

REPORTED TAX LIABILITY FOR MANUFACTURING CORPORATIONS, BY TAX BASE AND TAX LIABILITY CLASS, TAX YEAR 1984

	Tax Liability Before Surtax and Credits By Tax Base										
Tax Liability Class	Minimum	Net Worth	Net Income	Not Reported[(a)]	Total	Surtax	Litter[(b)] Tax (Tier 1)	Litter[(b)] Tax (Tier 2)	Property Tax Credits	Energy & Litter Credits	Tax Liability After Credits
Minimum	$378,475	-	-	-	$ 378,475	$ 7,723	$ 1,636	$ 4,040	$ 1,294,856	$ 0	$ 386,872
$ 50 - 1,000	-	$10,534,480	$ 1,152,828	$ 22,736	11,710,044	114,474	161,157	9,497	18,802,853	8,830	737,620
1,000 - 2,000	-	752,897	376,934	1,433	1,131,264	35,300	26,558	1,259	209,348	69	985,578
2,000 - 3,000	-	1,445,205	845,350	5,367	2,295,922	72,776	58,576	5,170	448,782	2,899	1,980,766
3,000 - 4,000	-	1,284,697	886,684	7,330	2,178,711	69,893	53,366	4,594	398,260	300	1,908,003
4,000 - 5,000	-	954,800	997,985	--	1,952,785	69,068	49,200	4,100	281,927	-0-	1,793,227
5,000 - 10,000	-	854,588	1,058,304	4,045	1,916,937	73,624	46,063	614	289,607	176	1,747,456
10,000 - 15,000	-	3,496,131	4,982,790	43,803	8,522,724	343,561	202,905	18,911	1,325,905	-0-	7,762,196
15,000 - 20,000	-	2,447,280	4,042,304	--	6,489,584	248,473	153,563	21,043	1,194,930	3,312	5,714,423
20,000 - 25,000	-	1,938,928	3,613,958	--	5,552,886	223,223	129,099	20,916	722,465	-0-	5,203,661
25,000 - 30,000	-	1,575,558	3,534,991	23,379	5,133,928	210,198	123,544	3,269	728,312	-0-	4,742,629
30,000 - 35,000	-	1,859,176	2,780,463	--	4,639,639	178,308	108,488	2,323	578,716	2,000	4,348,044
35,000 - 50,000	-	3,783,934	7,669,151	86,184	11,539,269	456,360	267,535	14,238	1,291,944	1,000	10,984,463
50,000 - 100,000	-	7,037,130	18,194,197	292,873	25,524,200	1,132,063	597,228	21,305	2,204,466	1,174	25,069,159
100,000 - 200,000	-	6,961,155	13,080,059	350,634	20,391,848	823,008	455,060	16,190	2,630,268	-0-	19,055,839
200,000 - 500,000	-	12,923,867	38,543,572	540,592	52,008,031	2,216,506	831,709	65,755	5,117,672	1,000	50,003,328
$500,000 & Over	-	21,075,624	102,343,242	--	123,418,866	5,564,580	367,608	36,899	27,629,341	-0-	101,758,591
Total	$378,475	$78,925,450	$204,102,812	$1,378,376	$284,785,113	$11,839,138	$3,633,295	$250,123	$65,149,652	$20,760	$244,181,855

(a) Data as initially supplied by taxpayers were insufficient to determine proper tax base for these corporations.

(b) Tier 1 of litter tax is paid by all corporations. Tier 2 of litter tax is paid by only "litter stream" corporatons.

Table 21

NUMBER OF FINANCIAL INSTITUTIONS AND REPORTED TAX LIABILITY BY TYPE OF INSTITUTION, TAX YEAR 1984

	Number of Corporations by Type				Tax Liability by Type			
Tax Liability	Banks	Savings & Loans	Other	Total	Banks	Savings & Loans	Other	Total
$ 0 - $ 1,000	12	32	3	47	$ 1,429	$ 1,769	$ 1,112	$ 4,310
1,000 - 2,000	1	3	0	4	1,548	4,342	0	5,890
2,000 - 3,000	0	1	1	2	0	2,931	2,600	5,531
3,000 - 4,000	1	4	0	5	3,992	14,042	0	18,034
4,000 - 5,000	1	0	0	1	4,997	0	0	4,997
5,000 - 10,000	13	19	2	34	93,113	144,480	14,588	252,181
10,000 - 15,000	15	26	1	42	195,499	321,245	10,982	527,726
15,000 - 20,000	15	18	3	36	263,632	316,578	51,106	631,316
20,000 - 25,000	15	18	1	34	333,909	411,938	23,995	769,842
25,000 - 30,000	17	17	1	35	471,130	467,992	27,773	966,895
30,000 - 35,000	11	12	0	23	351,536	392,831	0	744,367
35,000 - 50,000	54	31	0	85	2,250,408	1,315,494	0	3,565,902
50,000 - 100,000	82	40	2	124	5,651,544	2,705,902	156,219	8,513,665
100,000 - 200,000	55	30	0	85	7,711,160	4,258,652	0	11,969,812
200,000 - 500,000	38	9	0	47	10,366,634	2,740,700	0	13,107,334
$500,000 & Over	32	8	0	40	50,660,152	7,105,890	0	57,766,042
Total	362	268	14	644	$78,360,683	$20,204,786	$288,375	$98,853,844

ENERGY CREDIT PROGRAM

The Ohio Energy Credit Program provides credits or direct cash payments for the winter heating bills of qualified elderly and disabled individuals. All applications for the program are filed with and processed by the Ohio Department of Taxation.

There were no changes in the eligibility requirements, level of benefits or administrative procedures for the 1984-85 Energy Credit Program heating season.

Table 22 shows the number of eligible applicants in each county by the type of heating fuel used to heat the residence for the 1984-85 heating season. The total number of applicants was 234,052. These 234,052 individuals received over $33.0 million in cash payments or utility bill credits for the 1984-85 heating season. Of this number, 57,621 had incomes less than $5,000, and 126,660 had incomes between $5,000 and $9,000. These applicants heated their households with gas, electricity or pipeline propane while the remaining 49,771 receiving the $125 cash payment heated their households with fuel oil, coal, wood, kerosene, or non-pipeline propane. Prior to the 1985-86 heating season the Auditor of State administered the Energy Credit Program. Beginning in the 1985-86 heating season the Department of Taxation will take over all functions of the Auditor of State regarding the Energy Credit program.

DESCRIPTION OF PROGRAM:

The 1984-1985 heating season program provided 25% and 30% credits on heating bills or a direct cash payment of $125 to qualified individuals. To qualify for the program, an individual must: (1) have been head of household or spouse; (2) turn 65 years of age during calendar year 1984; (3) have had total 1983 income or an expected 1984 income (including income of spouse) of $5,000 or less to receive a 30% credit, or have had total 1983 income or an expected 1984 income of more than $5,000 but less than $9,000 to receive a 25% discount.

Qualified applicants who heated their households with gas, electricity or propane delivered by pipeline were granted the percentage discount on the bills received for those fuels during the months of December, 1984 through April, 1985. Qualified applicants who heated their homes with fuel oil, bottled propane, coal, wood, or kerosene, shared a meter for heating fuel, or paid for heat included with their rent payments received the $125 cash payment.

APPLICATION AND CREDIT PROCESS:

All applications for the energy credit program are filed with the Department of Taxation. The Tax Commissioner verifies the information on the application and certifies the eligibility for the applicants. The energy companies supplying electricity, gas, or propane delivered by pipeline are issued the names of those eligible for the 25% or 30% credit. The Tax Commissioner also pays those individuals who are eligible for the $125 payment.

OHIO REVISED CODE CITATIONS:

Sections 122.64 to 122.69, 4933.123, 5117.01 to 5117.12, 5117.21 to 5117.29, and 5117.99

RECENT LEGISLATION:

H.B. 201, effective July 1, 1985.

R.C. 5117.10: Transferred the functions of the Auditor of State regarding the Energy Credit Program to the Tax Commissioner.

Table 22

ENERGY CREDIT PROGRAM
NUMBER OF APPLICATIONS, BY COUNTY AND TYPE OF AID, 1984-85 HEATING SEASON

County	$125 Cash Payment	30% Credit	25% Credit	Total
Adams	971	173	174	1,318
Allen	313	540	1,499	2,352
Ashland	233	219	567	1,019
Ashtabula	781	545	1,291	2,617
Athens	624	344	578	1,546
Auglaize	230	199	537	966
Belmont	709	598	1,288	2,595
Brown	780	126	240	1,146
Butler	1,142	1,086	2,377	4,605
Carroll	307	101	239	647
Champaign	296	184	385	865
Clark	446	923	1,985	3,354
Clermont	1,344	222	451	2,017
Clinton	341	217	380	938
Columbiana	1,055	839	1,710	3,604
Coshocton	309	246	494	1,049
Crawford	212	292	787	1,291
Cuyahoga	3,268	10,118	23,229	36,615
Darke	414	285	648	1,347
Defiance	314	154	317	785
Delaware	282	186	338	806
Erie	247	383	959	1,589
Fairfield	437	568	1,126	2,131
Fayette	194	247	396	837
Franklin	1,063	4,141	8,866	14,070
Fulton	221	117	319	657
Gallia	658	177	256	1,091
Geauga	561	48	181	790
Greene	332	386	719	1,437
Guernsey	357	377	700	1,434
Hamilton	4,422	3,418	7,803	15,643
Hancock	176	302	690	1,168
Hardin	199	271	473	943
Harrison	289	94	170	553
Henry	220	110	233	563
Highland	828	266	398	1,492
Hocking	282	174	273	729
Holmes	165	67	152	384
Huron	353	261	681	1,295
Jackson	686	387	539	1,612
Jefferson	811	593	1,183	2,587
Knox	244	320	702	1,266
Lake	670	602	1,840	3,112
Lawrence	871	598	1,004	2,473
Licking	403	645	1,448	2,496
Logan	382	297	597	1,276
Lorain	378	1,064	2,909	4,351
Lucas	1,380	2,795	6,499	10,674
Madison	177	165	325	667
Mahoning	1,078	2,368	4,766	8,212
Marion	205	442	908	1,555
Medina	303	246	751	1,300
Meigs	532	202	316	1,050
Mercer	235	158	383	776
Miami	339	447	1,167	1,953
Monroe	208	187	218	613
Montgomery	1,254	2,884	5,842	9,980
Morgan	211	114	194	519
Morrow	368	75	179	622
Muskingum	501	697	1,347	2,545
Noble	162	122	145	429
Ottawa	324	148	411	883
Paulding	203	88	179	470
Perry	315	222	515	1,052
Pickaway	287	264	413	964
Pike	702	131	160	993
Portage	717	323	806	1,846
Preble	320	147	327	794
Putnam	285	124	254	663
Richland	438	709	1,468	2,615
Ross	954	391	619	1,964
Sandusky	288	332	790	1,410
Scioto	1,402	762	1,284	3,448
Seneca	274	330	781	1,385
Shelby	256	155	381	792
Stark	1,134	2,114	5,213	8,461
Summit	869	2,906	6,808	10,583
Trumbull	846	1,199	2,701	4,746
Tuscarawas	545	622	1,497	2,664
Union	217	134	280	631
Van Wert	156	200	428	784
Vinton	377	87	103	567
Warren	655	234	500	1,389
Washington	269	536	865	1,670
Wayne	377	304	928	1,609
Williams	243	184	936	863
Wood	301	342	822	1,465
Wyandot	119	122	316	557
County Not Indicated	125	99	204	428
Total	49,771	57,621	126,660	234,052

ESTATE TAX

The basic Ohio estate tax is levied against the value of a resident decedent's gross estate less deductions and exemptions. Graduated rates range through six taxable estate brackets from 2% on taxable values of under $40,000 to $23,600 plus 7% on that portion of taxable value which exceeds $500,000. Each estate also receives a $500 tax credit. Gross estates of more than $100,000 are also subject to an "additional" tax which is levied solely to ensure full benefit to Ohio of credits the federal government allows taxpayers against federal estate tax liability for their payment of state death taxes. Ohio also taxes nonresident estates on property values attributable to Ohio.

Taxes paid on the basic resident estate tax amounted to $106,377,163 on 19,528 taxable estates in fiscal 1985, compared to $102,257,361 on 22,041 taxable estates in fiscal 1984. The amount of tax paid includes interest payments received and also reflects subtraction of refunds and of interest paid by the state on refunds of tax overpayments. In fiscal 1985, 689 estates, 3.53% of the total number of estates generating tax, had net taxable value of $500,000 or more and yielded approximately $53.6 million in aggregate taxes, or 50.4 percent of the statewide total for the basic resident estate tax.

Additional revenues of $13,341,434, also after refunds and interest payments, were attributable to the "additional" tax, nonresident returns, and the former inheritance tax for estates finalized in fiscal 1985. Of this amount, the "additional" tax levied against 61 estates accounted for $12,488,547; the nonresident tax levied against 282 estates accounted for $775,024; and the former inheritance tax (effective for estates of decedents dying before July 1, 1968) levied against 49 estates accounted for $77,863.

The Estate Tax Division also completed audits and finalized returns for 32,661 non-taxable estates in fiscal 1985.

Data on number of estates, gross and net valuations, and tax paid for the basic resident estate tax are shown by net taxable value (tax rate) bracket in table 23. These statistics are presented by fiscal year in table 24, and by county of probate in table 25.

H.B. 291, enacted by the 115th General Assembly and effective July 1, 1983, with respect to estates of decedents dying on or after that date, replaced the $60,000 surviving spouse exemption, the $10,000 general exemption, and exemptions for surviving children with a marital deduction. The marital deduction for a surviving spouse is the lesser of the following alternatives:

1) the amount allowed or allowable as the federal marital deduction, or
2) up to $500,000 or one-half the adjusted gross estate (gross estate less other allowable deductions), whichever is greater.

Date compiled from 19,528 original returns filed for taxable estates finalized during fiscal 1985 show that an increasing number of estates qualified for the marital deduction compared to fiscal 1984. In fiscal 1985, 1,525 estates deducted $249.2 million in taxable value through the marital deduction, compared to 292 estates and $27.2 million in deductions in fiscal 1984. This increase reflects the increasing percentage of returns finalized in fiscal 1985 subject to the new statutory provisions enacted by H.B. 291 compared to the previous fiscal year.

RESIDENT ESTATE TAX (R.C. 5731)

TAX BASE:

The "taxable estate," i.e., value of a decedent's gross estate, less deductions and exemptions (R.C. 5731.14-.17, inclusive). In general, the gross estate equals the aggregate market value, at time of death, of all property held by the decedent, except real and tangible personal property sitused outside of Ohio, and "qualified farm property," which may be valued according to its "actual qualified use" (R.C. 5731.01, 5731.011, 5731.03-.13, inclusive).

The "taxable estate" equals the gross estate less the following deductions:

- Marital deduction, where there is a surviving spouse;
- Funeral expenses and costs of administering the estate;
- Outstanding and unpaid claims against the estate at time of decedent's death;
- Unpaid mortgage or other indebtedness against property where total value is included within the gross estate valuation;
- Subject to statutory conditions regarding purpose, usage, private benefit, etc., bequests and transfers to or for use of:
  1. The U. S. Government or other governmental unit(s) in the United States;
  2. Corporations organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes; and
  3. Fraternal and veterans' organizations;
- In case of decedents dying prior to July 1, 1983, property previously taxed transferred to decedent by another who dies within three years before or one year after decedent.

RATES:

Rates are generated through these six "taxable estate" brackets (R.C. 5731.02):

Taxable Estates of	Tax Rate Imposed
Not over $40,000	2% of taxable estate
Over $ 40,000 but not over $100,000	$ 800 + 3% of excess over $ 40,000
Over $100,000 but not over $200,000	$ 2,600 + 4% of excess over $100,000
Over $200,000 but not over $300,000	$ 6,600 + 5% of excess over $200,000
Over $300,000 but not over $500,000	$11,600 + 6% of excess over $300,000
Over $500,000	$23,600 + 7% of excess over $500,000

EXEMPTIONS:

Resident estates with gross values under $25,000 are exempt from filing returns (R.C. 5731.21).

TAX CREDITS:

$500 or the full amount of tax, whichever is less (R.C. 5731.02).

TAXPAYER:

Administrator, executor, other estate representative, or person in possession of the property subject to tax.

TAX RETURN AND TAX PAYMENT DEADLINES:

In general, as follows:

Tax Return -- To be filed within 9 months of decedent's death, in general with probate court of county in which estate is administered (R.C. 5731.21);

Tax payment — Due within 9 months of decedent's death, to treasurer of county in which decedent resided (R.C. 5731.23).

ADDITIONAL ESTATE TAX (R.C. 5731.18)

TAXABLE ESTATE:

The decedent's "adjusted taxable estate," — i.e., the federal taxable estate as determined pursuant to the Internal Revenue Code less $60,000. In effect, this is a federal taxable estate of over $100,000 since no state death tax credit is allowed on the first $40,000 of the adjusted taxable estate.

COMPUTATION OF TAX:

The state additional tax is levied in an amount equal to the difference between the maximum allowable federal credit for state death taxes paid and state death taxes actually paid to Ohio or to any other U.S. state, territory or the District of Columbia. The maximum federal credit for state death taxes is computed from graduated brackets that range from 0.8% on amounts of adjusted taxable estate in excess of $40,000 but less than $90,000, to 16% on amounts in excess of $10,040,000.

NONRESIDENT ESTATE TAX AND ADDITIONAL TAX (R.C. 5731.19)

ESTATE SUBJECT TO TAX:

That portion of a nonresident decedent's estate which is attributable to Ohio (i.e., in general, real property and tangible personalty located or having a situs in Ohio, and intangible personal property used in business within Ohio unless exempt pursuant to R.C. 5731.34) (R.C. 5731.19).

TAX RATES AND TAX CALCULATION FORMULA:

Tax is determined (for both nonresident estate and nonresident additional taxes) by (1) calculating tax which would be due from the estate, at rates applicable to resident estates, if decedent had died a resident of Ohio with all property situated or located in Ohio, and (2) multiplying the resultant amount by a fraction representing the ratio of gross estate value attributable in Ohio to gross estate value wherever situated.

RESIDENT AND NONRESIDENT ESTATE TAXES AND ADDITIONAL TAXES

DISPOSITION OF REVENUE (R.C. 5731.48-5731.51):

Sixty-four percent of gross taxes levied and paid, to municipal corporation or township in which tax originates (50 percent if derived from estates of decedents dying prior to July 1, 1983). In general, for revenue distribution purposes, tax on the transfer of real and tangible personal property located within Ohio originates in the municipal corporation(s) or township(s) in which such property is physically located. In the case of a resident decedent's intangibles or tangible personalty located outside of Ohio, domicile of the decedent is determinative; in the case of intangibles of a nonresident decedent, origin is derived from Ohio domicile, location or place of business or custody of the person, bank, institution, or other entity having such property in possession or custody.

Thirty-six percent, less costs of administration, to state General Revenue Fund (50 percent if date of death was prior to July 1, 1983).

OHIO REVISED CODE CITATIONS:

Chapter 5731: also R.C. 2117.20 (provision for family allowance).

TABLE 23

DISTRIBUTION OF TAXABLE ESTATES, GROSS AND NET VALUES, AND ESTATE TAXES PAID, BY NET TAXABLE VALUE (TAX RATE) BRACKETS, FISCAL YEAR 1985(a)

(Resident Estate Tax Only)

Net Taxable Value	Number of Estates	Aggregate Gross Value	Aggregate Net Taxable Value	Aggregate Tax Paid(b)
Total	19,528	$3,776,675,544	$2,773,659,398	$106,377,163
Under $40,000	4,680	236,805,053	128,557,492	1,121,953
$ 40,000 - $100,000	7,761	681,119,226	504,940,723	8,521,848
$100,000 - $200,000	3,999	702,495,108	558,992,377	14,985,074
$200,000 - $300,000	1,495	456,379,429	361,425,735	12,342,023
$300,000 - $500,000	904	428,768,034	341,532,156	15,833,870
Over $500,000	689	1,271,108,694	878,210,915	53,572,395

(a) Statistics are derived from returns on which audits were completed and final certificates of determination were issued during fiscal year 1985.

(b) Tax paid includes addition of interest on estate tax liabilities as well as subtraction of interest paid by the state on tax refunds.

NOTE: Data shown here represents the basic resident Ohio estate tax only. Tax paid of $106,377,163 does not include $12,488,547 in "additional" tax paid or $775,024 in taxes paid on nonresident estates. Also not included are net payments representing 49 taxable estates finalized under the former inheritance tax law. Payments were made in the amount of $106,139 and refunds were issued in the amount of $28,276 resulting in net receipts of $77,863.

TABLE 24

NUMBER OF ESTATES, AGGREGATE GROSS & NET VALUE, AND AGGREGATE TAXES PAID, FISCAL YEARS 1982-1985

(Resident tax only)

Fiscal Year	Number of Estates	Aggregate Gross Value	Aggregate Net Taxable Value	Aggregate Taxes Paid
1982	30,215	$3,814,145,875	$2,696,906,972	$106,794,246
1983	25,416	3,718,748,472	2,493,658,244	100,667,131
1984	22,041	3,608,671,141	2,532,912,837	102,257,361
1985	19,528	3,776,675,544	2,773,659,398	106,377,163

Table 25

NUMBER OF ESTATES, AGGREGATE GROSS AND NET TAXABLE VALUES, AND TAX PAID, BY COUNTY OF PROBATE, FISCAL YEAR 1985[a]
(RESIDENT ESTATE TAX ONLY)

County	Number of Estates	Gross Estate Value	Net Taxable Value	Tax Paid[b]
Adams	37	$3,970,810	$3,109,464	$75,088
Allen	211	35,775,934	26,565,269	837,314
Ashland	84	11,453,014	8,967,353	266,879
Ashtabula	167	18,878,905	15,073,643	388,299
Athens	53	7,079,272	5,219,081	144,550
Auglaize	105	19,201,814	14,276,384	508,927
Belmont	159	19,374,824	16,025,034	443,104
Brown	51	5,354,448	4,645,385	120,651
Butler	404	62,665,442	49,473,200	1,680,572
Carroll	48	4,659,909	3,914,998	86,703
Champaign	54	9,693,282	8,092,415	297,293
Clark	263	42,811,844	29,381,183	1,114,910
Clermont	132	16,097,630	13,660,915	440,151
Clinton	71	13,724,367	10,041,218	352,855
Columbiana	206	30,480,616	23,866,287	784,467
Coshocton	68	9,998,621	7,425,370	241,442
Crawford	100	15,635,174	12,828,934	405,875
Cuyahoga	3,013	571,703,044	438,374,783	16,916,555
Darke	168	25,327,792	19,371,617	585,109
Defiance	67	9,112,896	7,645,178	239,273
Delaware	90	17,445,979	12,593,199	405,616
Erie	150	25,330,007	18,941,332	626,141
Fairfield	167	42,107,632	36,186,730	1,621,957
Fayette	60	9,244,783	6,523,920	200,771
Franklin	1,365	316,837,757	248,644,249	10,787,708
Fulton	96	16,654,687	12,248,019	388,499
Gallia	56	6,974,574	4,845,900	118,690
Geauga	123	25,632,756	20,349,314	790,655
Greene	198	30,087,848	23,578,923	758,442
Guernsey	67	5,653,237	4,335,806	80,298
Hamilton	1,870	453,443,728	351,390,775	15,230,269
Hancock	184	39,426,642	30,131,670	1,148,688
Hardin	80	14,817,583	11,566,332	434,943
Harrison	30	2,413,122	1,814,272	34,645
Henry	80	12,960,348	9,965,304	287,300
Highland	64	10,678,076	8,623,609	300,349
Hocking	40	9,153,065	7,275,497	308,323
Holmes	37	7,653,992	6,876,525	314,873
Huron	93	12,835,286	10,316,434	304,663
Jackson	47	7,317,828	4,830,260	150,500
Jefferson	150	27,472,639	21,382,664	1,032,612
Knox	107	16,722,300	11,770,007	350,805
Lake	303	45,638,899	37,089,948	1,346,824
Lawrence	59	6,328,369	4,613,467	112,117
Licking	206	$34,136,866	$25,711,159	$870,401
Logan	83	11,860,431	9,121,085	282,086
Lorain	431	61,675,974	44,995,833	1,359,446
Lucas	990	186,238,372	137,654,195	5,175,829
Madison	39	6,990,999	5,658,928	204,814
Mahoning	490	68,345,326	52,577,366	1,597,418
Marion	103	21,026,279	13,715,014	447,904
Medina	180	32,805,635	24,943,109	890,157
Meigs	33	3,242,921	2,827,365	72,485
Mercer	85	12,187,795	9,633,508	267,997
Miami	206	39,957,193	31,456,382	1,225,409
Monroe	18	1,781,678	1,499,116	33,635
Montgomery	865	152,587,241	117,784,890	5,607,634
Morgan	30	2,690,967	2,380,284	53,904
Morrow	44	7,150,974	4,943,534	149,647
Muskingum	160	24,978,205	20,278,247	684,840
Noble	14	17,765,981	15,988,830	1,057,267
Ottawa	117	17,975,226	13,110,943	365,603
Paulding	33	4,814,675	4,088,491	117,600
Perry	60	7,476,521	5,159,442	135,326
Pickaway	74	13,854,915	9,229,222	291,557
Pike	26	2,526,602	2,043,891	41,402
Portage	148	29,011,935	19,771,062	730,330
Preble	69	11,466,258	8,729,493	288,841
Putnam	88	12,425,508	9,668,731	248,017
Richland	236	41,553,602	31,093,291	1,057,542
Ross	119	21,208,334	17,353,481	648,745
Sandusky	142	24,689,848	20,335,897	807,283
Scioto	110	15,283,625	11,180,067	354,604
Seneca	138	20,594,637	16,290,759	443,643
Shelby	95	18,182,868	13,962,445	485,560
Stark	718	122,465,006	96,330,173	3,460,133
Summit	908	359,029,043	138,848,240	5,709,530
Trumbull	384	60,251,943	43,314,817	1,590,835
Tuscarawas	211	29,112,928	24,390,371	819,242
Union	62	8,353,303	6,820,919	192,412
Van Wert	94	16,884,774	13,571,239	427,997
Vinton	10	853,650	721,922	16,681
Warren	113	18,082,726	13,098,504	399,126
Washington	101	16,981,693	14,185,843	515,941
Wayne	186	40,419,043	33,006,738	1,416,417
Williams	62	8,417,553	6,752,396	179,724
Wood	205	60,422,964	45,765,665	2,257,929
Wyandot	65	13,082,752	9,815,645	328,565
Total	19,528	$3,776,675,544	$2,773,659,398	$106,377,163

(a) Statistics are derived from returns on which audits were completed and final certificates of determination issued during fiscal year 1985. All amounts of tax shown are after refunds.

(b) Amounts shown as tax paid include interest payments received and also reflect subtraction of interest paid on refunds

HIGHWAY USE TAX

The highway use tax is an axle-mile tax levied on commercial vehicles in relation to varying combinations of number of axles and miles traveled by the vehicles. Enacted in 1953, it was intended primarily for highway bond retirement and is still used mainly for that purpose. In fiscal year 1985, highway use tax collections were approximately $51.0 million and there were 201,625 new highway use permits issued.

The highway use tax rates range from 0.5¢ per mile to 2.5¢ per mile depending on the number of axles of the vehicle. As in past years, the majority of the tax revenue in fiscal year 1985 was generated by those vehicles in the two-cents-per-mile bracket. Vehicles in this rate bracket also represented the majority of permit holders.

BASE AND RATES (R.C. 5728.06):

The highway use tax is levied on the following vehicles for each mile traveled on a public highway in Ohio at the rates shown:

Vehicle	Rate
Commercial car with 3 or more axles	0.5¢ per mile
Commercial car tandem with 3 axles, and each commercial tractor operated as part of a commercial tractor combination with 3 axles	1¢ per mile
Commercial tractor operated as part of a commercial tractor combination with 4 axles	1.5¢ per mile
Commercial tractor operated as part of a commercial tractor combination with a total of 5 or more axles	2¢ per mile
Commercial car or commercial tractor operated as part of a commercial tandem with 4 or more axles	2.5¢ per mile

EXEMPTIONS (R.C. 5728.01, 5728.13):

1. Vehicles owned and operated by the U.S. Government, the State of Ohio, or any political subdivisions thereof;
2. Vehicles owned by nonresidents of Ohio while engaged solely in interstate transportation of household goods in Ohio, provided the owners are residents of a state which grants reciprocity to Ohio;
3. Miles driven on the Ohio Turnpike.

PAYMENT DATES (R.C. 5728.08):

January 20 April 20 July 20 October 20	Return and payment due for preceding three months.

DISPOSITION OF REVENUE (R.C. 5728.08):

1. General Revenue Fund -- amount equal to appropriations for administration of the tax.
2. Balance to specified highway bond retirement funds as long as needed; thereafter, all to the supplementary highway construction fund.

OHIO REVISED CODE CITATIONS:

Chapter 5728.

Table 26

HIGHWAY USE TAX LIABILITY BY TYPE OF PERMIT HOLDERS, FISCAL YEARS 1981 - 1985

Permit Holders	1981	1982	1983	1984	1985
Ohio	$18,516,955	$16,948,851	$16,234,328	$18,536,256	$18,308,713
Foreign	28,218,529	25,949,562	25,802,720	28,675,613	29,897,146
Unidentified	1,441,727	1,025,725	1,431,335	2,403,623	2,832,099
Total	$48,177,211	$43,924,138	$43,468,383	$49,615,492	$51,037,958

Table 27

HIGHWAY USE TAX LIABILITY BY TYPE OF PERMIT HOLDER AND TAX RATE CLASSIFICATION, FISCAL YEAR 1985

	Tax Levied By Tax Rate Per Mile					
Permit Holders	0.5 Cent	1 Cent	1.5 Cents	2 Cents	2.5 Cents	Total Tax Levied
Ohio	$1,018,572	$324,152	$1,410,240	$14,968,028	$587,721	$18,308,713
Foreign	99,097	273,814	1,668,881	25,631,572	2,233,782	29,897,146
Unidentified	5,133	14,110	85,980	2,493,890	232,986	2,832,099
Total	$1,122,802	$612,076	$3,165,101	$43,093,490	$3,044,489	$51,037,958
Fees From New Permits(a)						403,250
Grand Total						$51,441,208

(a) Total number of new permits issued: 201,625 (permit fee is two dollars).

Table 28

AVERAGE NUMBER OF HIGHWAY USE TAX PERMITS AND TOTAL MILEAGE SUBJECT TO TAX BY TAX RATE CLASSIFICATION, FISCAL YEAR 1985

	Tax Rate Per Mile					
Permit Holders	0.5 Cent	1 Cent	1.5 Cents	2 Cents	2.5 Cents	Total
Ohio	14,150	3,036	6,423	44,345	3,457	71,411
Foreign	2,508	4,862	14,911	190,939	13,976	227,196
Unidentified	82	128	434	25,735	1,156	27,535
Total	16,740	8,026	21,768	261,019	18,589	326,142
Mileage						
Ohio	203,714,423	32,415,139	94,015,963	748,401,415	23,508,844	1,102,055,784
Foreign	19,819,425	27,381,431	111,258,780	1,281,128,615	88,951,275	1,528,539,526
Unidentified	1,026,468	1,410,926	5,731,957	124,694,542	9,319,420	142,183,313
Total	224,560,316	61,207,496	211,006,700	2,154,224,572	121,779,539	2,772,778,623

HORSE RACING TAX

Ohio has permitted horse racing and pari-mutuel wagering on horse racing since 1933. The regulation of horse racing is the responsibility of the State Racing Commission which consists of five members appointed by the Governor and confirmed by the Ohio Senate. The State Racing Commission issues racing permits and sets the racing dates for each meet. Since 1953, the Department of Taxation has administered the tax on pari-mutuel wagering.

Permit holders retain 18% of all money wagered and 1% of "exotic" wagering as their commission. Part of the commission along with a portion of the state's wagering tax is used to develop and promote horse breeding and racing in Ohio. Permit holders also retain the breakage (the odd cents remaining after pari-mutuel winning tickets are paid off at the next lowest multiple of ten cents). However, 40% of this amount must be used for purse money and 25% must be paid to the Horsemen's Health and Retirement Fund. Another source of revenue to permit holders is the authorization to conduct pari-mutuel wagering on televised simulcasts of racing at tracks outside the state.

To assist horse owners and to encourage the construction and improvement of racing facilities, there are two capital improvement plans that reduce the tax liability of permit holders. The first is a reduction of 3/4 of 1% of the amount wagered for the construction of a new facility or the improvement of an existing track. The second is a reduction of 1.5% of the amount wagered for the major renovation of an existing facility if the cost is $10 million or more. These projects must be approved by the State Racing Commission.

Over the years the tax on horse race wagering has been reduced to assist the racing industry. Currently the rates range from 1% to 4% of the amount wagered. These lower rates combined with the capital improvement tax credits and increases in the amount going to promote horse breeding and racing has caused the amount available to the state General Revenue Fund to drop from $19.8 million in fiscal year 1982 to $3.5 million in fiscal year 1985.

TAX BASE (R.C. 3769.08, 3769.081, 3769.087, 3769.089):

1. Amount wagered each day on win, place and show pari-mutuels.
2. Amount wagered each day on exotic races.
3. Amount wagered each day on electronically televised simulcasts.
4. Total amount wagered at each horse race meeting of a permit holder.

RATES:

1. Pari-mutuel wagering tax (R.C. 3769.08):

Amount Wagered Daily	Harness and Quarter Horse, Racing[a]	Thoroughbred Racing
First $200,000	2.125%	1%
Next $100,000	3.125%	2%
Next $100,000	4.125%	3%
Over $400,000	5.125%	4%

(a) Includes 1.125% for special funds paid by permit holders from their commission.

2. Exotic Wagering Tax (R.C. 3769.087): 2.5% of the amount wagered daily on other than win, place, and show. This is termed "exotic" wagering and is on the following special events:

RATES (cont'd):

Daily Double - Selecting and wagering on the winning horses in two designated races;

Perfecta - Selecting and wagering on the first and second place horses in order of finish in a designated race;

Quinella - Selecting and wagering on the first and second place horses but not necessarily in the order of finish in a designated race;

Trifecta - Selecting and wagering on the first, second, and third place horses in order of finish in a designated race.

3. Additional Pari-Mutuel Wagering Tax (R.C. 3769.081): This money is divided equally between the municipal corporation and township in which racing takes place and is intended to reimburse these areas for expenses incurred due to racing meets. The municipal corporations and townships receiving the money may reimburse an adjoining political subdivision which also had expenses because of racing meets. The tax is levied as follows:

Total Amount Wagered Each Horse Racing Meet	Rate
Less than $5,000,000	0.10%
$5,000,000 or more	0.15%

The maximum tax liability is $15,000 from each horse racing meeting.

EXEMPTIONS (R.C. 3769.081):

Agricultural Societies are not subject to the "Additional Pari-Mutuel Wagering Tax."

WHO REMITS TAX (R.C. 3769.08):

The racing permit holder remits to the Tax Commissioner the tax on the amount wagered as described in **"Rates"**. The Tax Commissioner in turn distributes the tax as described in **"Disposition of Revenue"**.

PAYMENT DATES (R.C. 3769.081, 3769.10):

Each day of racing:	Permit holder mails to the Tax Commissioner or delivers to an office of the Department of Taxation by noon the following day the pari-mutual wagering tax and exotic wagering tax collected.
Close of horse race meeting:	Within ten days, the Additional Pari-Mutual Wagering tax is collected and mailed to the Tax Commissioner or delivered to an office of the Department of Taxation.

DISPOSITION OF REVENUE (R.C. 3769.08, 3769.081, 3769.087):

Each Permit Holder pays to the Tax Commissioner a sum equal to the percent of money wagered as described in the **"Rates"** section reduced by any capital improvements deduction. The Tax Commissioner then distributes the receipts to the following funds and special account:

Receipts from Pari-Mutuel Wagering Tax

Distributed To	Source of Receipts (Wagering On)	Distribution Percent
Ohio Fairs Fund	Thoroughbred, harness, and quarter horse	0.5% of amount wagered

Ohio Thoroughbred Race Fund	Thoroughbred Harness*	1.125% of amount wagered June-Dec 1984: 0.82% of amount wagered Jan.-July 1985: 0.98% of amount wagered
Standardbred Development Fund	Harness	0.625% of amount wagered
Quarter Horse Development Fund	Quarter horse	0.625% of amount wagered
Ohio General Revenue Fund	Thoroughbred*, harness*, and quarter horse*	Net receipts after payments to above funds and special account
Agricultural Societies	Thoroughbred, Harness, and quarter horse racing at agricultural expositions and fairs	Net receipts after payment to the Ohio Fairs Fund Standard-bred Fund, Quarter Horse Fund and Thoroughbred Special Account

*Excluding agricultural expositions and fairs.

Receipts from "Exotic" Wagering Tax

Distributed To	Source of Receipts (Wagering On)	Distribution Percent
Ohio Fairs Fund	Thoroughbred, harness, and quarter horse	0.25% of amount wagered
Ohio Thoroughbred Race Fund	Thoroughbred	0.25% of amount wagered
Standardbred Development Fund	Harness	0.25% of amount wagered
Quarter Horse Development Fund	Quarter horse	0.25% of amount wagered
Ohio General Revenue Fund	Thoroughbred, harness, and quarter horse	2.0% of amount wagered(1)

(1) May be less than 2.0% if the capital improvements deduction exceeds amounts distributed to other funds.

Receipts from the Additional Pari-Mutuel Wagering Tax

Distributed To	Source of Receipts (Wagering On)	Distribution Percent
General revenue funds of municipalities and townships in which racing takes place	Thoroughbred, harness, and quarter horse	0.1% of amount wagered if total is less than $5,000,000; 0.15% of amount wagered if total is $5,000,000 or more (maximum of $15,000)

SPECIAL PROVISIONS (R.C. 3769.08, 3769.089, 3769.13, 3769.20):

1. Capital Improvement Deduction: With the approval of the State Racing Commission, permit holders making capital improvements, constructing new racing facilities, or reconstructing facilities damaged by fire or other cause that have a total cost of $100,000 or more can reduce their tax rate by 0.75% of the amount wagered for a period of fifteen years on capital improvements and reconstruction and a period of twenty-five years on new race track construction or until the total reducton in tax liability equals 70% of construction costs, whichever occurs first.

2. Major Capital Improvement Project: With the certification of the State Racing Commission, permit holders renovating, reconstructing, or remodeling an existing race track facility at a cost of $10 million or more can reduce their tax liability by 1.5% of the amount wagered for a period of ten years or until the cost of the project plus debt service is reached, whichever occurs first. If the reduction exceeds the tax on wagering, the abatement may be carried forward and applied against future tax liability. The tax reduction is in addition to the 0.75% Capital Improvement Deduction.

3. A race track closed due to fire or other cause can make up the lost days of racing during the first three years following the reopening of the track or at another racing facility.

4. Electronically Televised Simulcasts: Permit holders may televise horse racing at facilities outside of Ohio and conduct pari-mutual wagering thereon. The type of racing televised must be the same as authorized to be conducted at the permit holder's track and is limited to racing on that day.

OHIO REVISED CODE CITATIONS:

Chapter 3769.

RECENT LEGISLATION:

None

Table 29

AMOUNT WAGERED ON HORSE RACING AND TOTAL TAX AND SPECIAL FUND RECEIPTS, BY TYPE OF EVENT, FISCAL YEARS 1981 - 1985

Fiscal Year	Thoroughbred Racing	Quarter Horse & Commercial Harness Racing	Agricultural Societies Racing	Total
		Pari-Mutual Wagering		
1981	$229,369,573	$198,635,198	$3,951,205	$431,955,976
1982	218,845,146	173,675,748	4,289,807	396,810,701
1983	217,233,604	168,139,707	4,865,907	390,239,218
1984	239,039,250	160,521,195	4,853,828	404,414,273
1985	238,065,795	148,957,615	5,421,846	392,445,256
		Pari-Mutual Wagering Tax Receipts		
1981	$14,327,668	$11,357,499	$195,691	$25,880,858
1982	14,975,152	11,084,465	228,384	26,288,001
1983	14,013,620	9,925,133	243,397	24,182,150
1984	11,553,915	7,452,680	222,459	19,229,054
1985	6,658,162	4,829,067	216,494	11,703,723

Table 30

AMOUNT WAGERED ON HORSE RACING, TAX LEVIED AND DISTRIBUTION OF RECEIPTS, FISCAL YEAR 1985

	Thoroughbred Race Meets	Commercial Harness Race Meets	Quarter Horse Race Meets	County Agricultural Societies	Total
Number of Days	417	595	10	210	1,232
Tax Base					
Pari-Mutuel Wagering	$238,065,795	$148,131,884	$ 832,625	$5,421,846	$392,452,150
Exotic Wagering	104,974,024	92,513,153	511,040	2,407,455	200,405,672
Total Tax Base	$343,039,819	$240,645,037	$1,343,665	$7,829,301	$592,857,822
Tax Levied					
Pari-Mutuel Wagering	$ 5,907,217	$ 3,714,110	$ 19,292	$ 156,357	$ 9,796,976
Exotic Wagering	2,993,905	2,312,830	12,776	60,137	5,379,648
Total Tax Levied	$ 8,901,122	$ 6,026,940	$ 32,068	$ 216,494	$ 15,176,624
Capital Improvement Credit	$ 1,459,728	$ 679,732	$ - 0 -	$ - 0 -	$ 2,139,460
Major Capital Improvement Credit	783,232	550,209	- 0 -	- 0 -	1,333,441
Net Tax Collected	$ 6,658,162	$ 4,796,999	$ 32,068	$ 216,494	$ 11,703,723
Distribution of Receipts					
Agricultural Societies	$ -0-	$ -0-	$ - 0 -	$ 143,358	$ 143,358
Quarter Horse Development Fund	-0-	-0-	6,438	-0-	6,438
Standardbred Development Fund	-0-	1,155,994	- 0 -	39,752	1,195,746
Ohio Fairs Fund	1,489,680	971,027	5,406	33,126	2,499,239
Thoroughbred Special Account	$ 2,977,549	$ 1,345,776	$ - 0 -	$ 258	$ 4,323,583
State General Revenue Fund	2,190,933	1,324,202	20,224	-0-	3,535,359
Total Amount Distributed	$ 6,658,162	$ 4,796,999	$ 32,068	$ 216,494	$ 11,703,723

STATE INDIVIDUAL INCOME TAX

Ohio's personal income tax law is based closely on federal law to facilitate compliance by the taxpayer and administration by the state. The starting point for computation of the Ohio income tax is federal adjusted gross income as reported on the federal income tax return. After adding and subtracting certain adjustments and subtracting personal exemptions, Ohio's graduated tax rates are applied to the remaining figure (Ohio taxable income) to calculate the tax liability. From this figure, certain credits may be subtracted to arrive at the final personal income tax liability.

Figure 3 illustrates the percentage distribution by income class of 1983 tax returns, federal adjusted gross income, and income tax liability. Tables 31 through 44 also include information compiled from the 1983 Ohio personal income tax returns (due by April 16, 1984). Table 31 contains detailed data from the returns categorized into twenty-nine income classes. The data show that individuals filed 3,935,354 tax returns which reported total federal adjusted gross income of $83.4 billion, an average of $21,193 per return. Applying the tax rates to this income and then subtracting allowable tax credits yields a figure for total Ohio personal income tax liability of $2,178.4 million. This amounts to an average income tax liabililty of $553.55 per return.

Table 32 compares total returns filed for 1982 and 1983 grouped by major income classes while Table 33 compares only taxable returns for 1982 and 1983. Total tax liability increased from $1,568.7 million in 1982 to $2,178.4 million in 1983, a percentage increase of 38.9%. In contrast, the number of taxable returns fell from 3,827,639 in 1982 to 3,345,350 in 1983, a decline of 482,289. Since the number of taxable returns had increased slightly in the previous five years, this decline is particularly significant. It is explained mainly by two major reforms first effective for 1983 — (1) a choice between an additional $350 personal exemption or a $20 personal exemption credit for all taxpayers and their dependents, and (2) an increase in the senior citizen credit to $50 from the previous level of $25.

Table 34 is a simplified version of Table 31 showing some of the major data categorized into just eight income classes. Tables 35, 36, and 37 show tax returns by the same eight income classes, but by filing status -- married joint, single, and married separate.

Tables 38, 39, and 40 classify the number of returns and tax liability by Ohio taxable income classes rather than federal adjusted gross income classes. The "Ohio taxable income" figure is the amount to which the graduated tax rates of 0.9165% to 9.165% for 1983 were directly applied. Tables 38 and 39 contain data by Ohio taxable income class on the additional $350 personal exemption and the $20 personal exemption credit, respectively. These tables indicate that the majority of taxpayers used the $20 credit, rather than the additional exemption. Table 40 shows the number of returns and tax liability for all returns.

Table 41 contains information on the joint filer credit. A 1983 joint return filed by a husband and wife each earning at least $500 of wage or pension income was entitled to a joint filer credit of 5% to 20% of the tax liability. Table 41 indicates that this credit was claimed by 1,017,392 taxpayers and reduced their tax liability by approximately $109.5 million, an average of $107.60 per return. Table 42 provides information on the 360,304 returns claiming the senior citizen credit. The senior citizen credit reduced their total tax liability by $18.3 million, resulting in an average tax liability of $397.46.

Table 43 indicates the number of returns filed, income, and tax liability for residents of each of Ohio's eighty-eight counties. Cuyahoga county had the largest number of returns filed with 546,444 returns reporting $12.4 billion of income, and $348.2 million of income tax liability. Residents of the eleven largest Ohio counties filed 2.3 million out of the state total of 3.9 million income tax returns. Their combined tax liability was $1,374.8 million, over 63% of the total for all eighty-eight counties. Table 44 indicates the average income per return for residents of each county. Geauga county taxpayers reported the highest figure with an average income per return of $25,323 while Adams county had the lowest average income, $15,581 per return.

Three additional tables indicate income tax data gathered from sources other than the 1983 tax returns. Table 45 compares one-half of the 1984 income tax collections in each county with the amount of state school aid and property tax relief distributed to the county. Under the Ohio Constitution and state law, at least one-half of income tax collections must be returned to the county of origin. This table indicates that this requirement was exceeded in every county.

Table 46 shows the number of returns and amount of tax dollars processed by the Income Tax Division of the Ohio Department of Taxation during the last two fiscal years. During fiscal year 1985, the Income Tax Division processed over 5.8 million personal income tax returns for all types, including about 4.7 million annual and quarterly estimated individual taxpayer returns and over one million employer withholding returns. Net collections during fiscal year 1985 were $2,777,799,506 after payment of $383,840,615 in refunds. Table 47 shows the monthly distribution of these collections and refunds.

TAX BASE (R.C. 5747.01):

The amount reported as Federal Adjusted Gross Income to the U.S. Internal Revenue Service plus or minus adjustments according to Ohio income tax law (see **"General Computation of Tax Liability"** section on the following page).

RATES (R.C. 5747.02):

Ohio Taxable Income	1985 Tax
0 - $ 5,000	.903% of Ohio taxable income
$ 5,000 - 10,000	$ 45.15 + 1.805% of excess over $ 5,000
10,000 - 15,000	$ 135.40 + 3.610% of excess over $ 10,000
15,000 - 20,000	$ 315.90 + 4.513% of excess over $ 15,000
20,000 - 40,000	$ 541.55 + 5.415% of excess over $ 20,000
40,000 - 80,000	$1,624.55 + 6.318% of excess over $ 40,000
80,000 - 100,000	$4,151.75 + 7.220% of excess over $ 80,000
Over 100,000	$5,595.75 + 9.025% of excess over $100,000

SPECIAL PROVISIONS:

1. **Personal Exemption Credit Option (R.C. 5747.022):** In addition to the standard $650 personal exemption, taxpayers have the option of taking an additional $350 personal exemption or a credit against the Ohio income tax due of $20 for each personal exemption claimed.

2. **Joint Filer Credit (R.C. 5747.05):** A husband and wife who file a joint return are allowed a tax credit if each spouse receives at least $500 of wage or pension income. The credit is a percentage of the tax after all other credits and is calculated according to the schedule shown below:

Ohio Taxable Income	Amount of Credit
$25,000 or less	20%
25,000 - $50,000	15
50,000 - 75,000	10
Over $75,000	5

3. **Senior Citizen Credit (R.C. 5747.05):** A taxpayer 65 years of age or older during the taxable year is allowed a $50 credit against the amount of Ohio income tax due. Only one $50 credit is allowed for each return.

4. **Retirement Income Credit (R.C. 5747.055):** Taxpayers receiving retirement income are allowed a credit based on the amount of retirement income received during the taxable year according to the following schedule:

Amount of Retirement Income Included in FAGI	Credit
$ 500 or less	0
500 to $1,500	$ 25
1,500 to 3,000	50
3,000 to 5,000	80
5,000 to 8,000	130
Over $8,000	200

GENERAL COMPUTATION OF TAX LIABILITY:

FEDERAL ADJUSTED GROSS INCOME

(taken directly from federal return)

Add

1. State and local bond interest (except Ohio).
2. Federal bond interest exempt from federal tax but subject to state tax.
3. Accumulation distribution from a complex trust.

Subtract

1. Federal bond interest.
2. Subchapter "S" income (corporation income taxed to shareholders under federal law).
3. Income or income yield from ownership of property on which current non-delinquent intangibles tax has been paid.
4. Disability and survivors benefits included in federal adjusted gross income.
5. Income earned while a resident of another state.
6. Wages and salaries paid to employees under the federal "targeted jobs credit".
7. Social security and railroad retirement benefits included in FAGI.

OHIO ADJUSTED GROSS INCOME

Subtract:

1. Personal exemptions of $650 per person.
2. Additional $350 per person if the personal exemption credit is not chosen.

OHIO TAXABLE INCOME

Apply:

Graduated rates of .303% to 9.025% for 1985.

TAX BEFORE CREDITS

Subtract:

1. Personal exemption credit of $20 per person (if additional $350 exemption is not chosen).
2. Senior citizen credit of $50.
3. Retirement income credit.
4. Home improvements credit.
5. Solar, wind, and hydrothermal energy system credit.
6. New equipment purchase credit.
7. Credit for income taxed by another state.
8. Joint filer credit for two working spouses receiving at least $500 apiece in wage or pension income (graduated based on income).

OHIO PERSONAL INCOME TAX LIABILITY

SPECIAL PROVISIONS (cont'd from page 51):

5. **Military Pay (R.C. 5747.01):** Military pay is taxable (except combat zone pay) no matter where the individual is stationed provided domicile (legal residence) is Ohio. If domicile is in another state, service personnel are not required to pay the Ohio income tax, even though stationed in Ohio.

6. **Reciprocity and Part-Year Residents (R.C. 5747.05):**

   a) An individual who is a resident of Ohio or one of the five surrounding states and whose income consists solely of compensation from any of thoses states need only file with the state of residence.

   b) Individuals domiciled in Ohio for only a part of the year can deduct all income received during the time not domiciled in Ohio.

7. **Home Improvement Credit (R.C. 5747.05):** A homeowner may claim a credit equal to 5% of the cost of home improvements. The home improvements must cost at least $300 and the credit cannot exceed $65. The credit may be claimed only once every three years.

8. **New Equipment Credit (R.C. 5747.05):** Individual taxpayers are allowed a credit against the personal income tax equal to the difference between: (1) the tangible property taxes paid in the taxable year on machinery and equipment used in manufacturing or refining and acquired on or after January 1, 1978; and (2) the tangible property taxes that would have been paid on such property if it had been assessed at 20% of true value. If the credit exceeds the income tax liability in any year, the excess credit may be carried forward to offset liability for the following three years.

9. **Solar, Wind, or Hydrothermal Energy System Credit (R.C. 5747.05):** A homeowner may claim a credit equal to 10% of the cost of puchase and installation of a solar, wind, or hydrothermal energy system. The credit cannot exceed the tax liability. Any unused credit can be carried forward to the succeeding two taxable years. No credit can exceed $1,000 and the credit can only be claimed once for a given building or structure.

TAXPAYER (R.C. 5747.01):

Every individual and every estate residing in Ohio or earning or receiving income in Ohio.

PAYMENT DATES (R.C. 5747.07-5747.09):

For Individuals:

1. Calendar year taxpayer files an annual return between January 1 and April 15.
2. Fiscal year taxpayer files before the 15th day of the fourth month after the end of the fiscal year.
3. Taxpayers making quarterly declarations must file an annual estimated return on or before April 15 and quarterly payments of the tax must be made on or before April 15, June 15, and September 15 of the current year and January 15 of the next year.

For Employers:

1. If the employer withholds less than $1,000 during the quarter, payment is made within 30 days after the last day of the quarter ending March, June, September, and December.
2. If the amount to be withheld during the quarter exceeds $1,000, monthly remittances are made within 10 banking days after the close of each calendar month.

DISPOSITION OF REVENUE (R.C. 5747.03):

1. All income tax receipts are initially credited to the General Revenue Fund, with 3.5% subsequently transferred to the Local Government Fund. Beginning January 1, 1986, an additional 6.3% will be transferred to the Library and Local Government Support Fund.

DISPOSITION OF REVENUE (R.C. 5747.03) (cont'd):

2. The Ohio Constitution requires that at least 50% of income tax collections be returned to the county of origin. This provision is met through General Revenue Fund allocations to education and local property tax relief (12.5% property tax rollback and homestead exemption).

OHIO REVISED CODE CITATIONS:

Chapter 5747.

RECENT LEGISLATION:

S.B. 334, effective December 26, 1984

R.C. 5747.07: Requires that monthly employer withholding is due within 10 banking days after the close of each calendar month.

S.B. 80, effective August 1, 1985

R.C. 5747.121: Requires the Tax Commissioner to cooperate with the Department of Human Services in establishing and implementing procedures for the collection of overdue child support from state income tax refunds of taxpayers delinquent in such payments.

Section 4: Appropriates $93,040 for fiscal year 1986 and $50,040 for fiscal year 1987 to the Department of Taxation to be used to administer the provisions of section 5747.121 of the Revised Code.

S.B. 121, effective October 17, 1985

R.C. 5747.01 and Section 3: Makes income earned from a Subchapter S corporation subject to the personal income tax beginning in tax year 1986.

S.B. 127, effective September 30, 1985

R.C. 5747.11: Allows taxpayers to request an income tax refund within three years of an illegal, erroneous, or excessive payment.

H.B. 238, effective July 1, 1985

R.C. 5747.02: Reduces income tax rates from their 1984 level by 5% in 1985, 10% in 1986, and 15% in 1987 and thereafter. If the average unemployment rate between October 1, 1986 and March 31, 1987 is less than 7% the 1987 rates will be 17.5% below the 1984 level and rates in 1988 and thereafter will be 20% below the 1984 level.

RECENT SIGNIFICANT COURT DECISIONS:

E. H. Mosher Sr. v. Limbach, Montgomery County Court of Appeals (2nd District) Case No. 8996, June 14, 1985. An individual is not required to physically reside in Ohio to be a resident under R.C. 5747.01 (I). It is sufficient that the individual is "domiciled", i.e., maintains his legal residence, in this state. Maintaining an Ohio address for federal income tax purposes is evidence of an Ohio domicile.

FIGURE 3

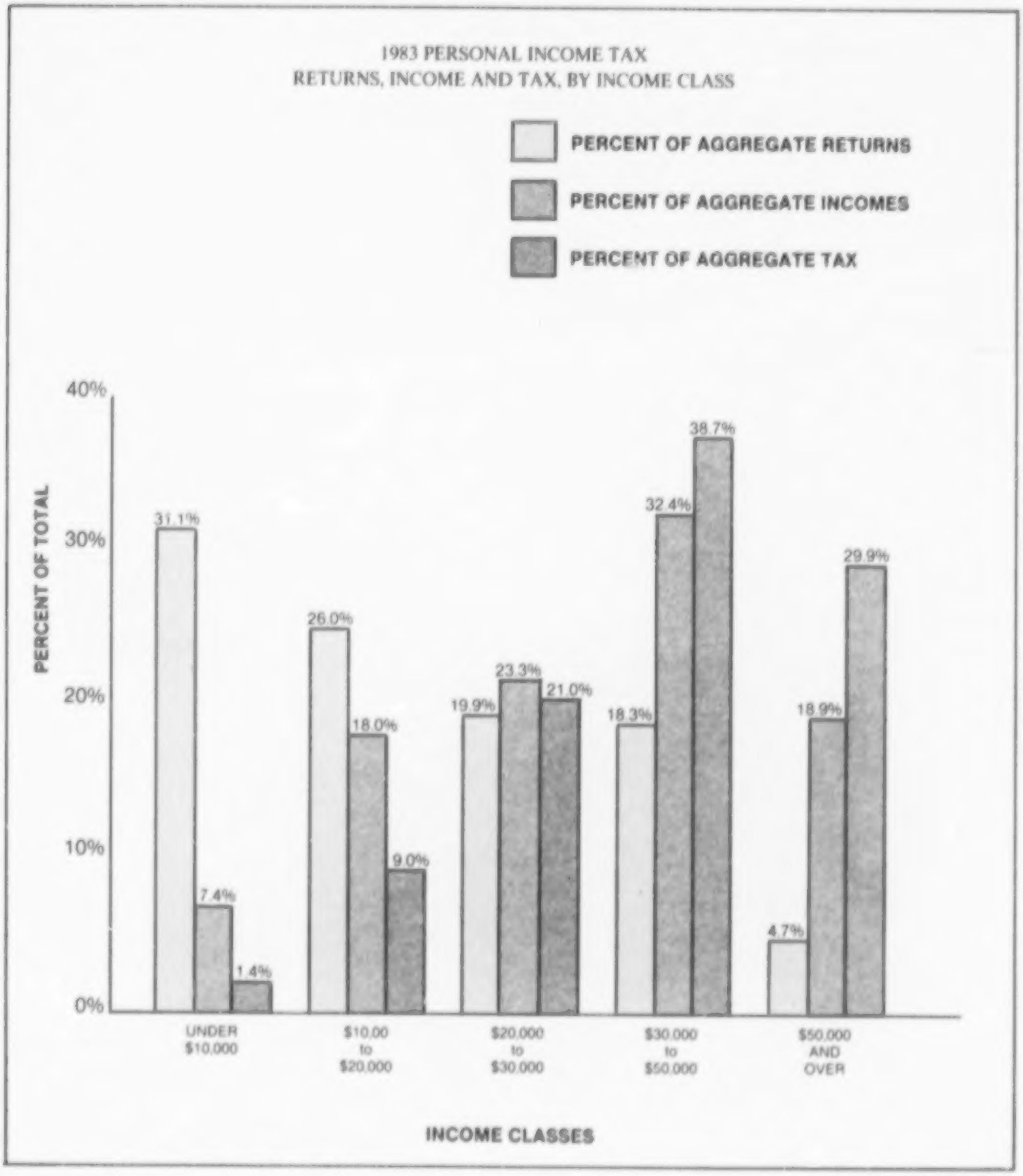


Figure 3 shows the percentage distribution by income class of 1983 personal income tax returns, federal adjusted gross income, and tax liability. Taxpayers earning under $10,000 filed 31.1% of all income tax returns, but earned only 7.4% of total income and paid just 1.4% of the total tax liability. The next largest group of taxpayers, those earning $10,000 to $20,000, earned 18.0% of total income and paid 9.0% of the tax. These two groups combined (all those earning less than $20,000) represented 57.1% of all the taxpayers, reported 25.4% of the income, but paid just 10.4% of the total income tax.

In contrast, taxpayers earning more than $50,000, comprised only 4.7% of all tax returns, but reported 18.9% of total income and paid 29.9% of the entire income tax liability. Additional detail on the income distribution of tax returns, income, and tax liability, as well as information on filing status and county statistics, are shown in tables on the following pages.

Table 31

1983 OHIO PERSONAL INCOME TAX RETURNS BY INCOME CLASS(a)

Income Class (Federal Adjusted Gross Income)	Number of Returns	Total Federal Adjusted Gross Income	Ohio Adjusted Gross Income	Reported Value of $650 Personal Exemption	Ohio Taxable Income	Tax Before Credits	Joint Filer Credit	Tax Liability After All Credits
0 - $1,000	90,365	$ 51,159,485	$ 51,765,269	$ 66,701,603	$ 5,619,707	$ 344,478	$ 6,298	$ 247,567
$ 1,000 - 2,000	138,994	208,637,593	203,887,311	110,157,224	91,766,962	1,216,406	5,248	546,266
2,000 - 3,000	136,101	339,856,842	330,693,000	114,505,336	207,081,694	2,580,040	11,537	910,024
3,000 - 4,000	130,995	457,885,010	444,515,073	116,966,099	315,407,799	3,742,191	12,035	1,396,710
4,000 - 5,000	124,329	559,620,071	542,140,740	120,167,199	408,996,275	4,867,405	19,408	2,107,232
5,000 - 6,000	121,909	670,247,643	648,459,979	126,332,205	508,560,996	5,963,309	20,830	2,544,337
6,000 - 7,000	119,584	777,520,335	749,910,600	129,834,856	607,856,666	7,520,692	23,062	3,523,436
7,000 - 8,000	122,958	922,915,568	890,643,801	137,945,162	740,859,179	9,560,996	43,253	4,919,734
8,000 - 9,000	122,754	1,042,673,133	1,006,216,645	143,409,779	851,734,562	11,914,241	74,276	6,293,202
9,000 - 10,000	115,914	1,101,029,668	1,063,618,676	140,116,866	913,420,047	13,365,506	109,287	7,330,459
10,000 - 11,000	112,973	1,186,268,731	1,146,143,500	139,469,425	997,502,427	14,906,400	135,135	8,559,090
11,000 - 12,000	110,915	1,275,794,543	1,234,093,514	142,480,535	1,082,722,242	17,468,815	183,816	10,571,715
12,000 - 13,000	110,420	1,380,614,818	1,335,645,578	145,350,648	1,181,987,479	20,461,130	244,616	13,259,761
13,000 - 14,000	109,226	1,474,377,877	1,425,319,064	146,142,418	1,270,652,673	24,141,563	330,786	16,198,798
14,000 - 15,000	106,349	1,542,078,802	1,491,485,322	146,954,975	1,338,319,428	26,770,317	466,500	18,916,932
15,000 - 16,000	102,727	1,592,048,076	1,540,670,946	145,337,899	1,389,510,349	30,030,335	591,988	21,284,717
16,000 - 17,000	97,634	1,610,474,697	1,555,974,059	141,470,761	1,410,270,179	31,765,590	683,801	23,492,121
17,000 - 18,000	93,418	1,634,579,246	1,578,833,643	138,819,966	1,435,668,228	34,057,596	847,963	25,678,316
18,000 - 19,000	89,627	1,657,971,844	1,602,566,225	136,863,130	1,461,827,374	36,332,890	1,035,096	28,154,230
19,000 - 20,000	87,584	1,707,862,303	1,649,913,160	137,932,912	1,508,360,789	39,234,156	1,267,067	30,737,644
20,000 - 25,000	415,800	9,342,204,332	9,038,309,639	710,214,824	8,306,537,627	241,167,160	9,103,668	197,574,292
25,000 - 30,000	367,617	10,079,111,959	9,797,301,512	734,388,231	9,055,243,549	304,595,928	13,209,309	258,810,484
30,000 - 35,000	286,880	9,289,602,074	8,993,357,941	588,839,610	8,409,204,483	311,066,579	15,894,383	268,348,007
35,000 - 40,000	207,041	7,732,423,723	7,459,482,117	430,694,434	7,033,132,842	277,367,833	16,423,241	240,623,793
40,000 - 50,000	225,562	9,980,914,480	9,552,170,062	478,783,149	8,974,355,236	377,654,397	24,881,621	334,683,196
50,000 - 100,000	159,383	10,007,073,578	9,114,271,023	337,070,238	8,687,773,282	414,265,701	18,409,080	381,324,999
100,000 - 200,000	21,409	2,847,280,920	2,417,793,454	46,532,224	2,382,010,020	146,363,189	2,844,808	136,516,754
$200,000 & Above	6,886	2,929,916,076	2,119,738,711	14,956,584	2,184,956,442	161,656,223	2,590,070	133,853,352
Total	3,935,354(b)	$83,402,143,427	$78,984,920,564	$5,968,438,292	$72,761,338,536	$2,570,381,066	$109,468,182	$2,178,407,168

(a) As reported on returns due April 16, 1984. Includes effects of tax changes enacted in tax year 1983.

(b) Does not include returns filed solely for informational purposes.

Table 32

COMPARISON OF 1982 AND 1983 PERSONAL INCOME TAX RETURNS

Income Class (Federal Adjusted Gross Income)	Number of Returns		Federal Adjusted Gross Income		Ohio Taxable Income		Joint Filer Credit		Ohio Income Tax	
	1982	1983	1982	1983	1982	1983	1982	1983	1982	1983
0 - $ 5,000	634,158	620,784	$1,654,869,454	$1,617,159,001	$1,083,932,111	$1,028,872,437	$66,078	$54,526	$8,217,694	$5,207,799
$ 5,000 - 10,000	633,854	603,119	4,750,057,857	4,514,386,347	3,720,446,320	3,622,431,450	416,871	270,708	28,258,080	24,611,168
10,000 - 15,000	595,991	549,883	7,426,783,755	6,859,134,771	6,231,606,109	5,871,184,249	1,282,025	1,360,853	66,951,698	67,506,296
15,000 - 20,000	501,105	470,990	8,728,012,141	8,202,936,166	7,576,834,367	7,205,636,919	3,038,773	4,425,915	111,434,560	129,347,028
20,000 - 25,000	437,600	415,800	9,828,354,755	9,342,204,332	8,688,243,306	8,306,537,627	4,201,210	9,103,668	160,575,224	197,574,292
25,000 - 50,000	1,045,038	1,087,100	35,273,786,720	37,082,052,236	31,830,414,769	33,471,936,110	24,180,941	70,408,554	772,868,246	1,102,465,480
50,000 - 100,000	139,546	159,383	8,812,680,657	10,007,073,578	7,701,148,619	8,687,773,282	7,035,898	18,409,080	237,868,053	381,324,999
100,000 and Over	27,690	28,295	5,627,770,622	5,777,196,996	4,387,402,926	4,566,966,462	3,453,412	5,434,878	182,574,166	270,370,106
Total	4,014,982	3,935,354	$82,102,315,961	$83,402,143,427	$71,220,028,527	$72,761,338,536	$43,675,208	$109,468,182	$1,568,747,721	$2,178,407,168

Table 33

COMPARISON OF 1982 AND 1983 TAXABLE RETURNS

Income Class (Federal Adjusted Gross Income)	Taxable Returns		Ohio Income Tax	
	1982	1983	1982	1983
0 - $ 5,000	531,235	298,155	$ 8,217,694	$ 5,207,799
$ 5,000 - 10,000	586,424	440,667	28,258,080	24,611,168
10,000 - 15,000	582,593	487,220	66,951,698	67,506,296
15,000 - 20,000	494,822	456,110	111,434,560	129,347,028
20,000 - 25,000	432,960	407,955	160,575,224	197,574,292
25,000 - 50,000	1,035,684	1,072,148	772,868,246	1,102,465,480
50,000 - 100,000	137,374	156,079	237,868,053	381,324,999
100,000 and Over	26,547	27,016	182,574,166	270,370,106
Total	3,827,639	3,345,350	$1,568,747,721	$2,178,407,168

Table 34

1983 OHIO PERSONAL INCOME TAX RETURNS FOR ALL FILING STATUS CATEGORIES[a]

Income Class (Federal Adjusted Gross Income)	Number of Returns	Federal Adjusted Gross Income	Ohio Taxable Income	Ohio Income Tax	Effective Rate[b]
0 - $ 5,000	620,784	$ 1,617,159,001	$ 1,028,872,437	$ 5,207,799	.32%
$ 5,000 - 10,000	603,119	4,514,386,347	3,622,431,450	24,611,168	.55
10,000 - 15,000	549,883	6,859,134,771	5,871,184,249	67,506,296	.98
15,000 - 20,000	470,990	8,202,936,166	7,205,636,919	129,347,028	1.58
20,000 - 25,000	415,800	9,342,204,332	8,306,537,627	197,574,292	2.11
25,000 - 50,000	1,087,100	37,082,052,236	33,471,936,110	1,102,465,480	2.97
50,000 - 100,000	159,383	10,007,073,578	8,687,773,282	381,324,999	3.81
100,000 and Over	28,295	5,777,196,996	4,566,966,462	270,370,106	4.68
Total	3,935,354	$83,402,143,427	$72,761,338,536	$2,178,407,168	2.61%

(a) Column totals from tables 35, 36, and 37 will not add to figures on this table due to 132,464 returns for which filing status was not indicated, and which have not been verified.

(b) Ohio income tax divided by federal adjusted gross income.

Table 35

1983 OHIO PERSONAL INCOME TAX RETURNS CLAIMING MARRIED JOINT FILING STATUS

Income Class (Federal Adjusted Gross Income)	Number of Joint Returns	Federal Adjusted Gross Income	Ohio Taxable Income	Ohio Income Tax	Effective Rate[a]
0 - $ 5,000	77,860	$ 225,348,831	$ 84,867,652	$ 625,418	.28%
$ 5,000 - 10,000	169,332	1,302,713,588	908,560,544	2,789,470	.21
10,000 - 15,000	213,498	2,682,769,291	2,152,671,856	16,083,341	.60
15,000 - 20,000	234,428	4,108,461,838	3,480,786,396	52,178,806	1.27
20,000 - 25,000	263,800	5,949,538,007	5,196,974,727	114,617,094	1.93
25,000 - 50,000	905,961	31,311,679,337	28,283,065,615	927,090,418	2.96
50,000 - 100,000	143,635	9,000,458,221	7,898,085,829	347,029,763	3.86
100,000 and Over	25,041	5,044,545,612	4,080,262,716	244,115,342	4.84
Total	2,033,545	$59,625,514,725	$52,085,275,335	$1,704,529,652	2.86%

(a) Ohio income tax divided by federal adjusted gross income.

Table 36

1983 OHIO PERSONAL INCOME TAX RETURNS CLAIMING SINGLE FILING STATUS

Income Class (Federal Adjusted Gross Income)	Number Of Single Returns	Federal Adjusted Gross Income	Ohio Taxable Income	Ohio Income Tax	Effective Rate[a]
0 - $ 5,000	505,806	$ 1,296,480,914	$ 884,984,556	$ 4,214,010	.33%
$ 5,000 - 10,000	398,639	2,948,425,469	2,503,547,395	20,175,529	.68
10,000 - 15,000	304,146	3,775,057,744	3,372,554,468	47,004,130	1.25
15,000 - 20,000	212,681	3,680,170,276	3,358,325,156	70,234,398	1.91
20,000 - 25,000	134,915	3,309,929,116	2,767,594,098	74,519,107	2.48
25,000 - 50,000	147,617	4,643,432,587	4,176,595,761	141,953,151	3.06
50,000 - 100,000	11,221	722,520,234	541,814,065	23,529,481	3.26
100,000 and Over	2,587	595,872,592	379,066,293	20,603,672	3.46
Total	1,717,612	$20,671,888,932	$17,984,481,792	$402,233,478	1.95%

(a) Ohio income tax divided by federal adjusted gross income.

Table 37

1983 OHIO PERSONAL INCOME TAX RETURNS CLAIMING MARRIED SEPARATE FILING STATUS

Income Class (Federal Adjusted Gross Income)	Number Of Married Filing Separate Returns	Federal Adjusted Gross Income	Ohio Taxable Income	Ohio Income Tax	Effective Rate[a]
0 - $ 5,000	9,356	$ 25,001,851	$ 15,002,310	$ 77,321	.31%
$ 5,000 - 10,000	11,441	86,976,272	69,821,907	515,731	.59
10,000 - 15,000	12,279	152,732,542	133,395,373	1,702,527	1.11
15,000 - 20,000	8,395	145,129,877	130,023,318	2,510,084	1.73
20,000 - 25,000	4,713	104,899,066	94,740,588	2,400,832	2.29
25,000 - 50,000	4,923	156,671,386	138,346,458	4,526,679	2.89
50,000 - 100,000	475	30,439,022	24,438,504	1,036,461	3.41
100,000 and Over	151	41,786,610	28,205,115	1,295,439	3.10
Total	51,733	$743,635,626	$633,973,573	$14,065,074	1.89%

(a) Ohio income tax divided by federal adjusted gross income.

Table 38

1983 OHIO PERSONAL INCOME TAX RETURNS CLAIMING THE ADDITIONAL $350 PERSONAL EXEMPTION

Ohio Taxable Income Class	Number of Returns	Federal Adjusted Gross Income	Reported Value of $350 Exemption	Ohio Taxable Income	Ohio Income Tax
0 - $ 5,000	233,118	$ 1,222,726,021	$170,083,727	$ 381,949,660	$ 5,667,626
$ 5,000 - 10,000	118,209	1,145,330,414	76,106,260	876,739,881	10,334,242
10,000 - 15,000	96,180	1,412,854,884	66,240,093	1,190,713,501	20,625,770
15,000 - 20,000	79,948	1,624,663,408	66,921,618	1,408,158,037	33,382,077
20,000 - 25,000	73,515	1,886,946,220	69,076,021	1,664,393,472	48,088,025
25,000 - 30,000	44,244	1,347,304,596	42,910,145	1,209,376,434	39,702,024
30,000 - 40,000	70,472	2,782,237,479	78,123,150	2,518,098,384	92,296,895
40,000 - 50,000	140,683	6,816,649,474	155,760,252	6,220,703,532	247,563,488
50,000 - 100,000	99,943	6,964,306,031	113,184,912	6,318,649,128	295,322,718
100,000 and Over	19,484	4,165,620,803	23,545,269	3,684,091,160	239,436,925
Total	975,796	$29,368,639,330	$861,951,447	$25,472,873,189	$1,032,419,790

Table 39

1983 OHIO PERSONAL INCOME TAX RETURNS CLAIMING THE $20 PERSONAL EXEMPTION CREDIT

Ohio Taxable Income Class	Number of Returns	Federal Adjusted Gross Income	Ohio Taxable Income	Reported Value of $20 Exemption	Ohio Income Tax
0 - $ 5,000	533,463	$ 2,288,336,246	$ 1,304,788,736	$ 16,223,710	$ 4,267,797
$ 5,000 - 10,000	495,036	4,666,891,870	3,700,219,261	18,470,666	22,296,699
10,000 - 15,000	449,376	6,548,713,239	5,600,305,836	19,288,006	70,157,797
15,000 - 20,000	387,495	7,639,944,185	6,760,795,684	18,974,827	131,720,162
20,000 - 25,000	337,390	8,397,481,249	7,592,098,897	18,911,836	195,507,922
25,000 - 30,000	279,595	8,376,708,738	7,677,392,074	17,487,124	232,955,295
30,000 - 40,000	361,165	13,364,210,822	12,406,172,464	23,062,574	422,575,929
40,000 - 50,000	23,119	1,054,812,038	997,846,704	1,496,593	35,385,581
50,000 - 100,000	8,334	534,537,431	512,095,110	520,251	17,737,001
100,000 and Over	1,303	387,210,573	389,630,593	95,108	4,985,424
Total	2,876,276	$53,258,846,391	$46,941,345,359	$134,530,695	$1,137,589,607

Table 40

1983 OHIO PERSONAL INCOME TAX RETURNS ACCORDING TO OHIO TAXABLE INCOME CLASS

Ohio Taxable Income Class	Number of Returns		Joint Filer Credit	Ohio Income Tax	
	Number	Percent of Total		Amount	Percent of Total
0 - $ 5,000	834,263	21.20%	$ 293,359	$ 10,467,988	.48%
$ 5,000 - 10,000	619,173	15.73	554,285	32,985,621	1.51
10,000 - 15,000	548,564	13.94	2,468,341	91,247,250	4.20
15,000 - 20,000	469,239	11.92	7,624,986	165,720,348	7.61
20,000 - 25,000	412,277	10.48	11,620,346	244,202,798	11.21
25,000 - 30,000	324,774	8.25	13,641,375	273,187,955	12.54
30,000 - 40,000	432,461	11.00	34,314,724	515,405,603	23.66
40,000 - 50,000	164,674	4.18	21,199,983	284,109,782	13.04
50,000 - 100,000	108,934	2.77	12,786,652	314,629,035	14.44
100,000 and Over	20,995	.53	4,964,131	246,450,788	11.31
Total	3,935,354	100.00%	$109,468,182	$2,178,407,168	100.00%

Table 41

1983 OHIO PERSONAL INCOME TAX RETURNS CLAIMING THE JOINT FILER CREDIT, BY INCOME CLASS[a]

Income Class (Federal Adjusted Gross Income)	Number Of Returns Claiming Credit	Federal Adjusted Gross Income	Ohio Taxable Income	Joint Filer Credit	Ohio Income Tax
0 - $ 5,000	2,998	$ 9,971,948	$ 5,264,243	$ 54,526	$ 204,248
$ 5,000 - 10,000	23,820	195,543,811	144,850,786	270,708	858,729
10,000 - 15,000	67,826	865,107,666	714,122,577	1,360,853	6,143,772
15,000 - 20,000	100,821	1,776,188,265	1,538,281,021	4,425,915	22,423,009
20,000 - 25,000	133,395	3,014,917,115	2,675,425,138	9,103,668	56,381,880
25,000 - 50,000	585,585	20,612,809,359	18,917,144,636	70,408,554	611,769,448
50,000 - 100,000	93,012	5,686,627,970	5,170,503,183	18,409,080	223,085,425
100,000 and Over	9,935	1,866,661,107	1,626,747,795	5,434,878	100,808,776
Total	1,017,392	$34,027,827,241	$30,792,339,379	$109,468,182	$1,021,675,287

(a) A husband and wife who file a joint return are allowed a tax credit if each spouse earns at least $500 of wage income. The credit is graduated based on income.

Table 42

1983 Ohio Personal Income Tax Returns Claiming the Senior Citizen Credit

Income Class (Federal Adjusted Gross Income)	Number of Returns Claiming Credit	Federal Adjusted Gross Income	Ohio Taxable Income	Retirement Income Credit*	Senior Citizen Credit	Ohio Income Tax
0 - $ 5,000	23,741	$ 84,504,920	$ 58,142,284	$ 363,762	$ 1,136,957	$ 101,671
$ 5,000 - 10,000	84,705	647,346,524	527,259,631	3,400,697	4,215,857	718,372
10,000 - 15,000	78,882	976,655,732	830,204,778	5,391,224	3,960,264	3,859,863
15,000 - 20,000	55,239	956,597,607	817,497,033	4,654,704	2,800,112	8,811,274
20,000 - 25,000	35,624	795,500,680	672,265,230	3,116,953	1,809,442	11,799,428
25,000 - 30,000	23,013	628,888,850	523,934,444	1,954,781	1,195,022	12,116,218
30,000 - 40,000	25,966	893,476,441	721,509,010	2,239,054	1,369,925	20,288,249
40,000 - 50,000	12,477	553,668,641	426,174,022	999,653	664,963	13,999,254
50,000 - 100,000	15,544	1,028,172,081	729,402,948	1,190,757	856,288	29,270,708
100,000 and Over	5,113	1,162,703,660	750,454,791	728,658	334,522	42,242,910
Total	360,304	$7,727,515,130	$6,056,844,171	$24,040,243	$18,343,352	$143,207,947

* This represents only the amount of the retirement credit taken by senior citizen credit claimants. The total amount of the retirement income credit is $44.8 million.

Table 43

1983 OHIO PERSONAL INCOME TAX RETURNS, BY COUNTY

County	Number of Returns	Federal Adjusted Gross Income	Ohio Income Tax	County	Number of Returns	Federal Adjusted Gross Income	Ohio Income Tax
Adams	5,846	$ 91,086,229	$ 1,851,310	Lucas	163,415	$ 3,648,518,860	$100,775,415
Allen	37,527	763,000,868	19,384,387	Madison	10,879	206,534,280	4,883,235
Ashland	16,222	315,508,572	7,452,472	Mahoning	98,036	1,857,744,416	44,236,102
Ashtabula	33,302	616,689,832	14,373,571	Marion	22,482	450,765,271	11,174,634
Athens	14,451	251,444,764	5,680,778	Medina	42,689	982,339,350	27,311,475
Auglaize	15,689	297,397,256	6,911,792	Meigs	6,484	111,074,689	2,451,396
Belmont	27,079	495,380,295	11,713,382	Mercer	13,964	254,653,174	5,603,150
Brown	9,995	174,838,161	3,766,446	Miami	33,309	691,701,307	17,140,687
Butler	91,031	2,079,046,994	56,999,595	Monroe	5,139	99,076,359	2,394,463
Carroll	8,398	154,580,092	3,409,650	Montgomery	206,495	4,671,988,692	127,990,624
Champaign	11,433	217,085,766	5,121,024	Morgan	4,166	73,340,369	1,621,433
Clark	49,848	998,907,781	24,478,325	Morrow	8,446	154,20,714	3,393,384
Clermont	45,613	994,193,698	26,060,579	Muskingum	28,692	538,979,514	13,099,037
Clinton	11,888	222,518,839	5,072,172	Noble	3,638	62,214,835	1,457,607
Columbiana	37,107	664,810,442	15,095,068	Ottawa	15,300	303,616,434	7,427,839
Coshocton	12,235	239,482,066	5,790,716	Paulding	6,822	136,152,233	3,231,853
Crawford	17,448	327,147,924	7,726,565	Perry	9,383	164,305,452	3,643,005
Cuyahoga	546,444	12,390,114,527	348,166,803	Pickaway	14,047	276,265,520	6,754,556
Darke	18,687	340,693,514	7,541,542	Pike	6,364	110,468,823	2,453,591
Defiance	13,486	279,958,596	6,944,176	Portage	46,664	953,234,709	24,786,593
Delaware	19,495	451,620,576	12,529,357	Preble	12,968	247,471,877	5,760,475
Erie	29,718	610,877,639	16,057,091	Putnam	11,943	227,696,252	5,269,745
Fairfield	33,186	721,479,398	18,706,896	Richland	46,142	956,180,036	24,314,828
Fayette	9,389	160,241,583	3,464,446	Ross	21,291	423,369,857	10,626,293
Franklin	325,758	7,284,654,769	199,538,861	Sandusky	23,017	464,969,568	11,696,901
Fulton	13,944	286,254,544	7,028,596	Scioto	22,671	406,396,461	9,529,962
Gallia	8,750	162,961,954	3,827,795	Seneca	21,376	398,661,124	9,233,568
Geauga	27,889	706,226,707	21,376,232	Shelby	15,236	291,090,088	6,759,689
Greene	44,706	1,015,362,415	26,717,969	Stark	138,058	2,829,633,943	73,264,393
Guernsey	13,474	235,837,795	5,220,090	Summit	189,891	4,168,653,312	114,170,638
Hamilton	318,822	7,510,744,583	210,223,441	Trumbull	84,658	1,815,993,849	49,015,454
Hancock	24,955	578,906,015	16,135,438	Tuscarawas	30,459	564,855,018	13,280,625
Hardin	9,551	169,467,511	3,764,232	Union	10,354	207,819,565	5,084,954
Harrison	5,544	105,464,413	2,368,607	Van Wert	11,089	220,914,585	5,266,567
Henry	10,420	208,879,678	4,954,601	Vinton	3,091	50,279,356	1,045,697
Highland	10,634	178,032,356	3,680,468	Warren	34,835	782,858,458	21,408,653
Hocking	7,320	129,430,936	2,853,966	Washington	22,321	438,939,172	10,380,269
Holmes	9,342	146,713,693	3,071,743	Wayne	35,369	724,619,406	18,118,048
Huron	19,481	375,119,737	9,078,117	Williams	13,346	257,349,340	5,967,797
Jackson	9,160	159,769,585	3,455,433	Wood	36,994	843,991,257	23,615,025
Jefferson	29,599	578,317,729	14,698,974	Wyandot	8,535	157,492,756	3,540,558
Knox	15,190	280,751,481	6,328,848				
Lake	84,102	1,852,044,271	49,728,322	88 Cty. Total	3,812,335	$81,442,458,748	$2,153,676,585
Lawrence	17,868	320,769,556	7,451,559	Other*	123,019	1,959,684,679	24,730,583
Licking	43,665	901,188,078	23,023,590				
Logan	13,145	235,693,175	5,280,520				
Lorain	93,941	1,935,281,927	50,390,778	State Total	3,935,354	$83,402,143,427	$2,178,407,168

*Including returns from out-of-state filers and returns not indicating county of residence.

Table 44

RANK OF COUNTIES BY AVERAGE INCOME, AS REPORTED ON 1983 OHIO PERSONAL INCOME TAX RETURNS

County	Average Federal Adjusted Gross Income	Percent of State Average
Geauga	25,323	119.49%
Hamilton	23,558	111.16
Hancock	23,198	109.46
Delaware	23,166	109.31
Medina	23,012	108.58
Butler	22,839	107.77
Wood	22,814	107.65
Greene	22,712	107.17
Cuyahoga	22,674	106.99
Montgomery	22,625	106.76
Warren	22,473	106.04
Franklin	22,362	105.52
Lucas	22,327	105.35
Lake	22,021	103.91
Summit	22,011	103.86
Clermont	21,796	102.85
Fairfield	21,740	102.58
Trumbull	21,451	101.22
State Average	21,193	100.00
Miami	20,766	97.99
Defiance	20,759	97.95
Richland	20,723	97.78
Licking	20,639	97.39
Lorain	20,601	97.21
Erie	20,556	96.99
Fulton	20,529	96.87
Stark	20,496	96.71
Wayne	20,487	96.67
Portage	20,428	96.39
Allen	20,332	95.94%
Sandusky	20,201	95.32
Union	20,071	94.71
Marion	20,050	94.61
Henry	20,046	94.59
Clark	20,039	94.55
Paulding	19,958	94.17
Van Wert	19,922	94.00
Ross	19,885	93.83
Ottawa	19,844	93.63
Pickaway	19,667	92.80
Washington	19,665	92.79
Coshocton	19,574	92.36
Jefferson	19,538	92.19
Ashland	19,449	91.77
Williams	19,283	90.99
Monroe	19,279	90.97
Huron	19,256	90.86
Shelby	19,105	90.15
Preble	19,083	90.04
Putnam	19,065	89.96
Harrison	19,023	89.76
Champaign	18,988	89.60
Madison	18,985	89.58
Auglaize	18,956	89.44
Mahoning	18,950	89.42
Muskingum	18,785	88.64
Crawford	18,750	88.47
Clinton	18,718	88.32
Seneca	18,650	88.00
Gallia	18,624	87.88
Tuscarawas	18,545	87.51%
Ashtabula	18,518	87.38
Knox	18,483	87.21
Wyandot	18,453	87.07
Carroll	18,407	86.85
Belmont	18,294	86.32
Morrow	18,266	86.19
Mercer	18,236	86.05
Darke	18,232	86.03
Lawrence	17,952	84.71
Logan	17,930	84.60
Scioto	17,926	84.58
Columbiana	17,916	84.54
Hardin	17,743	83.72
Hocking	17,682	83.43
Morgan	17,605	83.07
Perry	17,511	82.63
Guernsey	17,503	82.59
Brown	17,493	82.54
Jackson	17,442	82.30
Athens	17,400	82.10
Pike	17,358	81.90
Meigs	17,131	80.83
Noble	17,101	80.69
Fayette	17,067	80.53
Highland	16,742	79.00
Vinton	16,266	76.75
Other(a)	15,930	75.17
Holmes	15,705	74.10
Adams	15,581	73.52

(a) Includes returns from out-of-state filers and returns not indicating county.

Table 45

PERSONAL INCOME TAXES REQUIRED TO BE RETURNED TO COUNTIES OF ORIGIN, SCHOOL FOUNDATION PAYMENTS, AND PROPERTY TAX RELIEF REIMBURSEMENT PAYMENTS, CALENDAR YEAR 1984, BY COUNTY*

County	Income Taxes Required To Be Returned To Counties	Actual Amount Returned For School Foundation Payments And Property Tax Relief Reimbursements		
		Total Payments	School Foundation	Property Tax Relief
Adams	$ 1,269,449	$ 7,007,228	$ 6,489,782	$ 517,446
Allen	12,252,595	30,526,636	28,134,125	2,392,511
Ashland	4,514,044	10,073,672	8,832,143	1,241,529
Ashtabula	9,539,616	29,838,708	26,785,423	3,053,285
Athens	3,748,089	18,705,610	17,470,314	1,235,295
Auglaize	4,293,095	10,187,198	9,194,322	992,876
Belmont	8,322,391	18,275,347	16,519,639	1,755,709
Brown	2,422,398	11,011,887	10,299,382	712,505
Butler	35,314,257	64,362,879	57,817,003	6,545,876
Carroll	2,250,996	5,340,240	4,849,479	490,762
Champaign	3,114,704	10,100,463	9,300,582	799,881
Clark	15,143,672	46,793,091	43,646,496	3,146,594
Clermont	15,301,684	39,529,043	36,151,622	3,377,421
Clinton	3,124,077	10,220,551	9,186,305	1,034,246
Columbiana	10,310,927	33,439,346	31,071,319	2,368,027
Coshocton	3,575,348	6,409,074	5,569,975	839,099
Crawford	4,740,348	11,768,518	10,458,496	1,310,022
Cuyahoga	219,322,798	291,681,830	224,760,082	66,921,749
Darke	4,637,239	13,260,028	12,002,542	1,257,486
Defiance	4,155,170	9,493,483	8,488,531	1,004,952
Delaware	7,335,488	10,428,031	8,933,312	1,494,719
Erie	9,498,105	18,956,354	16,288,799	2,667,555
Fairfield	11,141,158	25,713,478	23,229,681	2,483,797
Fayette	2,200,111	7,733,173	7,085,676	647,498
Franklin	119,124,688	190,105,519	161,477,608	28,627,910
Fulton	4,376,118	9,230,008	8,018,449	1,211,558
Gallia	2,739,761	8,113,253	7,435,178	678,075
Geauga	13,609,085	14,822,072	11,756,460	3,065,612
Greene	16,075,673	34,959,058	31,305,947	3,653,110
Guernsey	3,596,773	9,625,908	8,682,647	943,261
Hamilton	128,683,051	186,315,304	155,666,414	30,648,890
Hancock	12,710,561	13,039,973	11,278,359	1,761,614
Hardin	2,396,956	8,853,912	8,027,195	826,718
Harrison	1,656,444	4,435,303	4,020,270	415,033
Henry	2,932,588	9,616,027	8,534,085	1,081,942
Highland	2,350,088	10,469,583	9,667,434	802,149
Hocking	1,751,519	4,999,514	4,511,484	488,029
Holmes	1,914,887	5,762,584	5,143,705	618,879
Huron	5,349,630	14,837,217	13,438,146	1,399,072
Jackson	2,222,875	10,927,228	10,323,056	604,172
Jefferson	10,202,462	17,155,090	15,334,266	1,820,824
Knox	4,060,096	10,417,103	9,072,954	1,344,150
Lake	31,844,696	40,362,793	32,668,727	7,694,067
Lawrence	4,963,975	28,956,192	27,820,050	1,136,142
Licking	13,910,378	31,164,777	28,138,737	3,026,040
Logan	$ 3,495,003	$ 12,167,820	$ 11,000,363	$ 1,167,457
Lorain	30,808,247	73,229,083	64,892,647	8,336,436
Lucas	63,085,467	103,170,858	88,942,246	14,228,612
Madison	2,988,830	10,106,171	9,130,912	975,259
Mahoning	28,505,027	73,627,953	65,467,076	8,160,878
Marion	7,259,161	18,679,343	16,970,073	1,709,270
Medina	16,630,053	35,210,684	30,906,929	4,303,756
Meigs	1,636,358	7,765,808	7,261,985	503,822
Mercer	3,477,595	10,760,661	9,647,313	1,113,348
Miami	10,810,405	25,726,855	23,220,125	2,506,731
Monroe	1,585,472	4,378,523	3,950,505	428,017
Montgomery	75,731,752	139,378,465	121,212,631	18,165,834
Morgan	1,055,196	3,959,004	3,714,101	244,903
Morrow	2,131,818	8,421,329	7,758,607	662,722
Muskingum	8,227,317	26,423,986	24,522,364	1,901,622
Noble	923,966	3,167,331	2,918,757	248,573
Ottawa	4,713,567	7,411,148	6,059,567	1,351,581
Paulding	1,847,932	6,480,652	5,872,297	608,356
Perry	2,321,967	10,803,418	10,122,643	680,774
Pickaway	4,208,733	12,199,749	11,226,488	973,261
Pike	1,551,995	10,863,491	10,306,215	557,276
Portage	15,369,977	39,304,648	35,559,457	3,745,191
Preble	3,610,164	11,312,374	10,256,266	1,056,109
Putnam	3,153,537	9,443,274	8,596,925	846,349
Richland	14,112,580	34,618,448	30,702,517	3,915,931
Ross	6,669,965	18,185,495	16,519,317	1,666,178
Sandusky	6,935,103	15,968,564	14,396,614	1,571,950
Scioto	6,402,149	34,843,863	33,078,003	1,765,859
Seneca	5,752,694	11,832,996	10,482,444	1,350,551
Shelby	4,238,193	10,406,217	9,389,473	1,016,745
Stark	47,438,300	87,810,591	77,790,204	10,020,388
Summit	71,126,651	124,248,127	105,729,410	18,518,717
Trumbull	30,523,023	56,301,857	49,669,729	6,632,128
Tuscarawas	8,927,656	21,077,671	18,866,261	2,211,410
Union	3,193,709	5,146,144	4,321,363	824,780
Van Wert	2,982,134	6,102,826	5,245,959	856,866
Vinton	665,523	3,957,889	3,741,826	216,064
Warren	12,694,492	27,076,375	24,672,428	2,403,947
Washington	6,806,551	15,328,879	13,867,559	1,461,319
Wayne	11,213,468	22,907,517	20,242,537	2,664,980
Williams	3,794,957	8,379,917	7,446,755	933,162
Wood	14,373,700	24,123,975	20,954,157	3,169,817
Wyandot	2,101,019	5,108,362	4,653,228	455,134
Total	$1,339,081,469	$2,602,442,627	$2,266,172,477	$336,270,150

* Ohio's Constitution requires 50% of all personal income tax collections to be returned to counties of origin. This requirement is met by school foundation payments and property tax relief reimbursements.

SOURCE: Records of the Office of Budget and Management.

Table 46

PERSONAL INCOME TAX RETURNS FILED BY EMPLOYERS AND INDIVIDUALS DURING FISCAL YEARS 1984 AND 1985

Type of Return	1984				1985			
	Number of Returns		Amount of Tax Payment		Number of Returns		Amount of Tax Payment	
	Number	Percent	Amount	Percent	Number	Percent	Amount	Percent
Employer (Withholding):								
Monthly & Quarterly	913,190	15.69%	$ 2,301,610,768	82.28%	955,089	16.43%	$2,595,965,465	82.36%
Annual	193,159	3.31	24,760,259	.89	187,388	3.22	25,542,870	.81
Subtotal	1,106,349	19.00%	$ 2,326,371,027	83.17%	1,142,477	19.65%	$2,621,508,335	83.17%
Individual Taxpayer:								
Quarterly	605,116	10.40%	$ 206,173,640	7.37%	661,993	11.39%	$ 263,116,081	8.35%
Annual	4,110,341	70.60	264,472,171	9.46	4,009,904	68.96	267,320,864	8.48%
Subtotal	4,715,457	81.00%	$ 470,645,811	16.83%	4,671,897	80.35%	$ 530,436,945	16.83%
Total	5,821,800	100.00%	$ 2,797,016,838	100.00%	5,814,374	100.00%	$3,151,945,280	100.00%
Other Collections:								
Attorney General			$ 2,866,834				$ 3,770,096	
Assessment Payments			5,099,553				6,324,666	
Adjustment for Bad Checks			372,579				(399,921)	
Total			$ 8,338,966				$ 9,694,841	
Tax Refunded			(319,576,146)				(383,840,615)	
Total Net Tax Collected			$2,485,779,658				$2,777,799,506	

Table 47

PERSONAL INCOME TAX COLLECTIONS, BY MONTH, FISCAL YEAR 1985

Month	Employer Withholding(a)	Individual Taxpayer(b)	Other Collections(c)	Refunds	Total
July	$ 150,517,107	$ 15,334,345	$1,491,214	$ (5,630,489)	$ 161,712,177
August	268,984,113	14,749,314	576,109	(5,329,638)	278,979,898
September	202,336,486	47,501,235	478,803	(5,450,692)	244,865,832
October	211,933,478	10,824,122	835,765	(1,884,727)	221,708,638
November	209,877,431	3,062,586	473,615	(4,468,918)	208,944,714
December	209,801,838	10,554,951	514,207	(225,768)	220,645,228
January	228,037,285	78,331,734	441,327	(979,637)	305,830,709
February	250,321,984	8,116,236	442,909	(48,162,935)	210,718,194
March	194,803,523	23,604,820	1,238,255	(92,135,720)	127,510,878
April	236,707,534	139,804,056	1,365,995	(90,767,025)	287,110,560
May	231,616,146	124,926,721	725,704	(94,029,275)	263,239,296
June	226,571,410	53,626,825	1,110,938	(34,775,791)	246,533,382
Total	$2,621,508,335	$530,436,945	$9,694,841	$(383,840,615)	$2,777,799,506

(a) Monthly, Quarterly, and Annual returns.
(b) Quarterly Estimated and Annual returns.
(c) Attorney General collections, assessments, and bad checks.

SCHOOL DISTRICT INDIVIDUAL INCOME TAX

The law authorizing the current school district income tax was effective November 15, 1981. Under that law six school districts levied an income tax. Those districts are: Anna Local, Arlington Local, Bradford Exempted Village, Licking Valley Local, McComb Local, and West Liberty-Salem Local. H.B. 291 of the 115th General Assembly repealed the authority of any school district to enact an income tax after August 2, 1983; however, those districts which approved the tax on or before that date may continue to levy the tax. The school district income tax is imposed on the incomes of residents and estates. The Department of Taxation administers the tax and employer withholding is required. During fiscal year 1985 total gross collections for all districts were $1.3 million, prior to deductions for administrative costs and refunds.

TAX BASE (R.C. 5748.01):

For individuals, adjusted gross income for state income tax purposes less personal exemptions. For estates, taxable income for state income tax purposes.

RATES (5748.02):

The tax rates imposed are:

School District	Tax Rate
Anna Local	.50%
Arlington Local	.75
Bradford Exempted Village	1.00
Licking Valley Local	.75
McComb Local	1.00
West Liberty-Salem Local	.50

SPECIAL PROVISIONS:

No new school district income taxes may be levied.

TAXPAYER (R.C. 5748.01):

Every individual or estate having income upon which a school district income tax is imposed.

PAYMENT DATES (R.C. 5747.06-5747.09):

Individual Taxpayers:

1. Calendar year taxpayer files an annual return between January 1 and April 15.
2. Fiscal year taxpayer files before the 15th day of the fourth month after the end of the fiscal year.
3. Taxpayers making quarterly declarations must file an annual estimated return on or before April 15 and quarterly payments of the tax must be made on or before April 15, June 15, and September 15 of the current year and January 15 of the next year.

For Employers:

1. If the employer withholds on a quarterly basis for state income tax purposes, payment is made for both taxes within 30 days after the last day of the quarter ending March, June, September, and December.
2. If the employer withholds on a monthly basis for state purposes, remittances are made for both taxes within 10 banking days after the close of each calendar month.

ADMINISTRATION (R.C. 5747.03):

The Tax Commissioner administers the tax for school districts.

DISPOSITION OF REVENUE (R.C. 5747.03):

Collections are deposited into a School District Income Tax Fund to be distributed back to the school district less 3% retained for state administrative purposes. During the first 16 months the school district income tax is in effect, advance payments to the school district will be made on April 10, July 10, and October 10 of the first calendar year and on January 10 and April 10 of the following calendar year. Each of these advance payments will equal 90% of the amount paid into the fund during the preceding three months. On July 10 of each year, reconciliation between advance payments made to the school district and collections deposited into the School District Income Tax Fund are made. After this initial period, quarterly payments are made to the school district equal to 22.5% of the amount received by the school district during the preceding fiscal year.

OHIO REVISED CODE CITATIONS:

Chapter 5747 and 5748.

INTANGIBLE PROPERTY TAXES

Ohio law provides for the taxation of five classes of intangible property -- investments, credits, money, other intangible property, and shares in and capital employed by dealers in intangibles. Although all of these types of property are included on the intangible property tax lists, we have separated the descriptive section on the intangible property tax into 3 divisions. This separation is based on the differing administrative procedures followed based on the identity of the taxpayer. The three divisions are: (1) intangible property taxes paid by individuals, unincorporated businesses, non-financial corporations, and public utilities (repealed effective 1986); (2) intangible property taxes paid by financial institutions (repealed effective 1984); and (3) intangible property taxes paid by dealers in intangibles. Data for tax collections from all three of these groups are shown in the combined tables following the tax descriptions.

Total taxes levied on intangible property in calendar year 1984 were $160,874,091 -- a decrease of about 38% from the previous year. Taxes levied and payable to the State Treasurer were $13,551,678 in calendar year 1984, with $4,317,281 allocated to the 88 county undivided local government funds and $9,234,397 allocated to the state general revenue fund. Taxes levied and payable to county treasurers and allocated to the 88 undivided county classified property tax funds amounted to $147,322,413 in calendar year 1984, with $134,998,210 of this amount distributed to libraries.

INTANGIBLE PROPERTY TAXES PAID BY INDIVIDUALS, UNINCORPORATED BUSINESSES, NON-FINANCIAL CORPORATIONS, AND PUBLIC UTILITIES

NOTE: Intangible property taxes paid by individuals, unincorporated business, non-financial corporations, and public utilities were repealed effective January 1, 1986.

Intangible property taxes paid by these taxpayers are paid to either the State Treasurer (state-collected) or the county treasurers (locally-collected). Intangible property taxes paid by public utilities and inter-county corporations (corporations with taxable property in more than one county) are collected by the State Treasurer. Taxes on the intangible property of individuals, unincorporated businesses, and single-county corporations (corporations with taxable property in only one county) are collected by the treasurer of the county where the taxpayers reside or do business. Total intangible taxes levied on these taxpayers in calendar year 1984 amounted to $155,693,354 -- with $8,370,941 of this amount payable to the State Treasurer (deposited in the state general revenue fund) and $147,322,413 payable to county treasurers (deposited in county undivided classified property tax funds).

TAX BASE (R.C. 5701.04-5701.10, 5711.22, 5725.05) AND RATES (R.C. 5707.03, 5707.04):

Type of Property[a]	Base	Rate
Investments:		
productive	Income Yield	5.0%
unproductive	Value	0.2% (2 mills)
Deposits	Value	0.2% (2 mills) prior to 1982 0.1375% (1.375 mills) for 1982 and 1983 no tax for 1984 and thereafter
Credits	Value	0.3% (3 mills)
Money and Other Intangible Property	Value	0.3% (3 mills)

(a) Definitions:

"Investments" include: (1) shares of stock in corporations, associations, or joint stock companies; (2) interest-bearing obligations such as notes, corporate and municipal bonds, and deposits in financial institutions located outside of Ohio (if income yield exceeds 4%); (3) land contracts, annuities, and royalties from patents; and (4) equitable interests (including trusts and life estates) in any of these investments.

"Deposits" include: deposits in financial institutions (unless the tax is paid by the financial institution), member shares of federal credit unions, and postal savings accounts. Financial institutions in Ohio are required to pay the tax for their depositors.

"Credits" are the excess of current accounts receivable over current accounts payable. Tax applies only to accounts used in business.

"Money" includes: (1) gold, silver, and other coins; (2) U.S. legal tender notes; and (3) other notes and certificates of the U.S. intended for circulation.

"Other intangible property" includes every valuable right, title, or interest not included in the other definitions of intangible property unless expressly excluded from those definitions. Examples include excrow accounts, deposits with utilities, and surety bonds.

EXEMPTIONS AND EXCEPTIONS:

Exemptions (R.C. 140.08, 5709.02, 5709.04, 5709.041, 5725.26):

1. Intangible property belonging to organizations operated exclusively for the following purposes: religious, educational, charitable, scientific, literary, health, hospital, other public purposes, prevention of cruelty to children or animals, homes for the aged.
2. Deposits representing withheld taxes, and deposits not used in business to the extent that they represent funds belonging to non-residents of Ohio.
3. Delayed price sales agreements for grain or soybeans if entered into by a person engaged in agriculture.
4. State bonds issued under Constitutional and Ohio Revised Code sections authorizing exempt status.
5. Bonds issued by public hospital agencies.
6. Shares owned by a corporation in any other corporation or its own treasury stock.
7. Shares owned by an unincorporated mutual fund.
8. All intangible property of financial institutions and dealers in intangibles.

Exceptions (R.C. 5701.06):

1. Shares of stocks as follows:

   Issued by instrumentalities of the federal government;
   In financial institutions, dealers in intangibles, and domestic insurance companies;
   Defined as deposits.

2. Interest-bearing obligations as follows:

   Issued by the U.S. or any of its territories, districts, or dependencies;
   Issued by any instrumentality of the federal government;
   Issued prior to 1913 by the state of Ohio or any subdivision;
   Defined as deposits and current accounts.

3. Contractual obligations for payment of money as follows:

   Interest in land;
   Contracts of insurance;
   Contracts of employment or partnership and retirement annuities resulting therefrom;
   Pension and profit-sharing plans.

TAXPAYER (R.C. 5711.01, 5727.01), DATES OF PAYMENT (R.C. 323.16, 5719.02, 5725.06, 5725.22), DISPOSITION OF REVENUE (R.C. 5707.05, 5725.24) AND RETURN DATES (R.C. 5711.02, 5711.13, 5727.08, 5727.17):

Except for public utilities, returns must be filed between February 15th and April 30th (public utilities file returns including all of their property by March 1st) unless time extension of 60 days is allowed by the county auditor or Tax Commissioner. The Tax Commissioner certifies the intangible property values of inter-county corporations and public utilities to the State Auditor by the second Monday in August and the first Monday in October, respectively.

Intangible Taxes Collected by State Treasurer

Taxpayer	Payment Dates	Disposition of Revenue
Inter-county Corporations	September 30	State General Revenue Fund
Public Utilities	November 30	State General Revenue Fund

Intangible Taxes Collected by County Treasurers

Taxpayer	Payment Dates	Disposition of Revenue
Individuals	April 30 and September 20	Undivided Classified Property Tax Fund (primarily distributed to libraries but including municipalities, counties, and township park districts).
Unincorporated Businesses	April 30 and September 20	
Single-county Corporations	April 30 and September 20	

OHIO REVISED CODE CITATIONS:

Chapters 319, 323, 5701, 5705, 5707, 5709, 5711, 5719, 5725, 5727.

ADMINISTRATION (R.C. 5711.11, 5711.13):

Each county auditor is a deputy of the Tax Commissioner for the purpose of administering the intangible property tax (except the tax on public utilities). Taxpayers are required to file returns with either the Tax Commissioner or the county auditor. The following table indicates where the returns are filed and who is responsible for assessing the property.

Taxpayer	Filed With And Tax Assessed By
Inter-county corporations (corporations with taxable property in more than one Ohio county)	Tax Commissioner
Public utilities	Tax Commissioner
Single-county corporations (corporations with taxable property in only one Ohio county)	County Auditor
Individuals and Unincorporated Businesses	County Auditor

INTANGIBLE PROPERTY TAXES PAID BY FINANCIAL INSTITUTIONS

NOTE: The intangible property taxes paid by financial institutions were repealed effective in 1983 and 1984.

Prior to 1982, all financial institutions were subject to intangible property taxes on the value of their deposits and the value of their shares or capital employed. Beginning in 1982, as a result of changes enacted in Am. Sub. H.B. 694 of the 114th General Assembly, the intangible property tax on financial institutions was phased out as financial institutions were made subject to the corporate franchise tax. The tax on shares was repealed in 1982 for all financial institutions except those which were not subject to the corporate franchise tax in that year. All shares were exempt beginning in 1983. The tax rate on deposits was reduced from 2 mills to 1.375 mills for 1982 and 1983 and repealed altogether beginning in 1984. The tax rate on shares was reduced from 3 mills to 1.5 mills for 1982 and was repealed beginning in 1983.

INTANGIBLE PROPERTY TAXES PAID BY DEALERS IN INTANGIBLES

Dealers in intangibles pay intangible property taxes on the fair value of the shares of their stockholders allocated to Ohio on the basis of gross receipts. Taxes levied on shares of dealers in intangibles amounted to $5,180,737 in 1984.

TAX BASE (R.C. 5725.13, 5725.14, 5725.15):

The tax base for dealers in intangibles is either:

1. shares of stock of incorporated dealers in intangibles and unincorporated dealers in intangibles with capital stock divided into shares; or

2. capital employed in Ohio by an unincorporated dealer in intangibles with capital stock not divided into shares.

For dealers in intangibles with offices in more than one state, the tax base is allocated to Ohio based on gross receipts from offices in Ohio.

RATES (R.C. 5707.03):

Rate on fair value of shares or capital employed is 6 mills.

EXEMPTIONS (R.C. 5709.04, 5725.01, 5725.26):

Excluded from definition of dealer in intangibles:

1. institutions used exclusively for charitable purposes;
2. insurance companies;
3. financial institutions.

Shares owned by the following are excluded from base:

1. financial institutions;
2. domestic insurance companies;
3. institutions used exclusively for charitable purposes;
4. other dealers in intangibles.

TAXPAYER (R.C. 5725.01):

Firms having an office in Ohio and engaged in: (1) lending money; (2) discounting, buying, or selling bills or exchange, drafts, acceptances, notes, mortgages, or other evidences of indebtedness; or (3) buying or selling bonds, stocks, or other investment securities.

FILING AND PAYMENT DATES (R.C. 5725.06, 5725.10, 5725.14, 5725.16, 5725.22):

Second Monday in March -- Returns must be filed by this date unless a time extension (not to exceed 60 days) is allowed by the Tax Commissioner.

First Monday in June -- Tax Commissioner certifies tax base by county to State Auditor.

July 31 — Payment to State Treasurer is due.

DISPOSITION OF REVENUE (R.C. 5725.15, 5725.24):

1. One mill of receipts credited to state General Revenue Fund.
2. Five mills of receipts distributed to the county where the firm's capital was employed (determined on the basis of gross receipts). Revenue is placed in each county's undivided local government fund and distributed among the local subdivisions by the county budget commisison.

OHIO REVISED CODE CITATIONS:

Chapters 5707, 5709, and 5725.

ADMINISTRATION (R.C. 5725.14):

Returns are filed with the Tax Commissioner — who determines the taxable values. Taxes are collected by the State Treasurer.

Table 48

INTANGIBLE PROPERTY TAXES LEVIED, BY LEVEL OF COLLECTION AND DISTRIBUTION OF FUNDS, CALENDAR YEAR 1984

Collected By	Allocation to County Undivided Local Government Funds	Undivided County Classified Property Tax Funds	State General Revenue Fund	Total
County Treasurer	-	$147,322,413*	-	$147,322,413
State Treasurer	$4,317,281	-	$9,234,397	$13,551,678
Total	$4,317,281	$147,332,413	$9,234,397	$160,874,091

* $134,998,210 was distributed to public libraries.

Table 49

INTANGIBLE PROPERTY TAXES LEVIED, BY LEVEL OF COLLECTION AND FORM OF PROPERTY, CALENDAR YEARS 1980 - 1984

Level of Collection and Form of Property	1980	1981	1982	1983	1984
Locally-Collected[a]					
Productive Investments	$ 96,094,059	$106,877,698	$121,354,757	$134,196,809	$135,255,921
Unproductive Investments	2,670,636	3,205,952	3,282,308	3,904,254	3,834,794
Deposits	293,696	309,590	297,422	332,671	0*
Credits	5,334,348	5,673,744	6,183,026	6,542,257	7,058,922
Money & Other Intangibles	556,314	655,958	702,853	766,702	1,172,776
Total -- Locally-Collected	$104,949,053	$116,722,942	$131,820,366	$145,742,693	$147,322,413
State-Collected					
Public Utility Companies:					
Productive Investments	$ 98,175	$ 48,634	$ 185,316	$91,188	$ 28,929
Unproductive Investments	15,943	15,308	16,552	55,656	4,635
Deposits	34,150	29,707	14,285	19,830	0*
Credits	140,651	152,916	172,777	199,229	545,823
Money & Other Intangibles	77,479	100,712	113,476	20,532	12,271
Total	$ 366,398	$ 347,277	$ 502,406	$386,435	$591,658
Intercounty Corporations:					
Productive Investments	$ 2,327,322	$ 2,182,524	$ 3,884,692	$3,045,952	$2,773,614
Unproductive Investments	728,263	841,407	1,261,900	1,470,082	1,169,467
Deposits	332,134	382,557	195,911	211,784	0*
Credits	2,889,594	2,818,423	2,911,518	3,095,739	3,466,452
Money & Other Intangibles	342,947	342,354	415,310	354,184	369,750
Total	$ 6,620,260	$ 6,567,265	$ 8,669,331	$8,177,741	$7,779,283
Financial Institutions:					
Deposits In:					
Banks	$ 61,606,797	$ 65,912,985	$ 47,957,971	$53,075,924	0*
Savings & Loans	58,595,869	62,062,327	44,758,663	45,738,896	0*
State Credit Unions	2,077,155	2,173,922	1,524,389	1,688,692	0*
Federal Credit Unions	0	0	0	0	0*
Total	$122,279,821	$130,149,234	$ 94,241,023	$100,503,512	0*
Shares In:					
Banks	$ 5,136,388	$ 5,135,926	0	0*	0*
Savings & Loans	6,539,294	6,709,788	$ 677,452	0*	0*
State Credit Unions	333,073	355,078	201,112	0*	0*
Small Business Investment Co.	399,344	459,599	14,552	0*	0*
Total	$ 12,408,099	$ 12,660,391	$ 893,116	0*	0*
Dealers in Intangibles:					
Shares in	$ 3,786,641	$ 2,893,856	$ 3,814,852	$ 4,584,324	$ 5,180,737
Total -- State-Collected	$145,461,219	$152,618,023	$108,120,728	$113,652,012	$ 13,551,678
Grand Total	$250,410,272	$269,340,965	$239,941,094	$259,394,705	$160,874,091

(a) Includes property of individuals, partnerships, and single-county corporations.

* Tax repealed

Table 50

INTANGIBLE TAXES LEVIED, BY FORM OF PROPERTY, CALENDAR YEARS 1983 AND 1984

		1983		1984	
Form of Property Subject to Tax	Tax Rate	Amount	Percent of Total	Amount	Percent of Total
Productive Investments:	0.05				
Individuals, Partnerships, and Single-county Corporations		$134,196,809		$135,255,921	
Public Utilities		91,188		28,929	
Inter-county Corporations		3,045,952		2,773,614	
Total		$137,333,949	52.95%	$138,058,464	85.82%
Unproductive Investments:	0.002				
Individuals, Partnerships, and Single-county Corporations		$3,904,254		$3,834,794	
Public Utilities		55,656		4,635	
Inter-county Corporations		1,470,082		1,169,467	
Total		$5,429,992	2.09%	$5,008,896	3.11%
Deposits:	0.001375				
Outside the State:					
Individuals, Partnerships, and Single-county Corporations		$ 332,671		0*	
Public Utilities		19,830		0*	
Inter-county Corporations		211,784		0*	
In Ohio Financial Institutions		100,503,512		0*	
Total		$101,067,797	38.96%	0*	0.0%
Credits:	0.003				
Individuals, Partnerships, and Single-county Corporations		$6,542,257		$7,058,922	
Public Utilities		199,229		545,823	
Inter-county Corporations		3,095,739		3,466,452	
Total		$9,837,225	3.79%	$11,071,197	6.88%
Money and Other Intangibles:	0.003				
Individuals, Partnerships, and Single-county Corporations		$ 766,702		$1,172,776	
Public Utilities		20,532		12,271	
Inter-county Corporations		354,184		369,750	
Total		$1,141,418	.44%	$1,554,797	0.97%
Shares and Capital Employed In:					
Dealers in Intangibles	0.006	$4,584,324		$5,180,737	
Total		$4,584,324	1.77%	$5,180,737	3.22%
Grand Total		$259,394,705	100.00%	$160,874,091	100.00%

* Tax repealed.

Table 51

INTANGIBLE PROPERTY TAXES LEVIED FOR LOCAL GOVERNMENT PURPOSES, CALENDAR YEAR 1984, BY COUNTY

County	Locally-Collected(1)	State-Collected(2)	Total	County	Locally-Collected(1)	State-Collected(2)	Total
Adams	$ 56,552	-0-	$ 56,552	Logan	$ 280,185	$ 549	$ 280,734
Allen	1,149,762	$ 31,356	1,181,118	Lorain	1,739,985	61,521	1,801,506
Ashland	511,454	1,299	512,753	Lucas	6,420,766	106,493	6,527,259
Ashtabula	662,713	3,103	665,816	Madison	187,443	71	187,514
Athens	249,078	2,860	251,884	Mahoning	2,625,629	118,690	2,744,319
Auglaize	482,796	3,771	486,567	Marion	518,108	7,534	525,642
Belmont	575,140	1,213	576,353	Medina	1,016,891	3,082	1,019,973
Brown	180,818	-0-	180,818	Meigs	60,365	-0-	60,365
Butler	2,327,338	55,671	2,383,009	Mercer	376,352	3,437	379,789
Carroll	156,455	-0-	156,455	Miami	1,197,373	3,625	1,200,998
Champaign	173,355	-0-	173,355	Monroe	47,728	-0-	47,728
Clark	1,208,460	20,480	1,228,940	Montgomery	8,995,064	464,777	9,459,841
Clermont	840,858	50,737	891,595	Morgan	61,796	20	61,816
Clinton	378,856	79	378,935	Morrow	130,264	-0-	130,264
Columbiana	757,852	9,090	766,942	Muskingum	644,218	5,862	650,080
Coshocton	366,957	2,389	369,346	Noble	34,407	-0-	34,407
Crawford	461,021	806	461,826	Ottawa	401,599	-0-	401,599
Cuyahoga	29,782,456	1,327,065	31,109,521	Paulding	114,441	-0-	114,441
Darke	441,961	1,403	443,364	Perry	77,882	-0-	77,882
Defiance	330,634	966	331,660	Pickaway	226,821	193	227,014
Delaware	704,933	4,838	709,771	Pike	89,349	649	89,998
Erie	1,073,156	8,664	1,081,820	Portage	1,059,966	4,333	1,064,299
Fairfield	850,344	8,158	858,502	Preble	200,890	549	201,439
Fayette	212,198	3,744	215,942	Putnam	203,975	-0-	203,975
Franklin	14,639,665	713,432	15,353,007	Richland	1,671,012	45,238	1,716,250
Fulton	405,265	111	405,376	Ross	389,390	5,769	395,159
Gallia	132,197	2,577	134,774	Sandusky	543,632	2,123	545,755
Geauga	1,833,078	-0-	1,833,078	Scioto	446,814	4,721	451,535
Greene	1,160,282	34,777	1,195,059	Seneca	582,176	1,793	583,969
Guernsey	183,412	1,646	185,058	Shelby	482,854	983	483,837
Hamilton	26,080,111	679,965	26,760,076	Stark	4,667,678	79,885	4,747,563
Hancock	1,308,680	37,345	1,346,025	Summit	7,010,683	175,684	7,010,683
Hardin	155,373	-0-	155,373	Trumbull	2,134,627	19,617	2,154,244
Harrison	188,266	-0-	188,266	Tuscarawas	697,003	4,541	701,544
Henry	197,648	-0-	197,648	Union	272,763	-0-	272,763
Highland	247,999	1,553	249,552	Van Wert	278,057	12	278,069
Hocking	121,916	-0-	121,916	Vinton	34,242	-0-	34,242
Holmes	200,150	-0-	200,150	Warren	777,248	474	777,722
Huron	478,220	809	479,027	Washington	436,347	32,841	469,188
Jackson	204,915	1,394	206,264	Wayne	1,248,202	3,993	1,252,195
Jefferson	608,836	18,000	626,836	Williams	454,455	422	454,877
Knox	426,026	1,474	427,500	Wood	1,952,073	2,257	1,954,330
Lake	2,667,023	53,744	2,720,767	Wyandot	209,007	-0-	209,007
Lawrence	115,564	66,648	182,212				
Licking	1,042,880	4,396	284,581	Total	147,322,413	5,180,737	152,503,150

(1) Taxes paid by individuals, unincorporated businesses, and corporations with property in only one Ohio county.
(2) 5 mills of receipts from tax on shares in and capital employed by dealers in intangibles.

STATE AND COUNTY LOCAL GOVERNMENT FUNDS

The tables in this section deal with certain state-imposed taxes which are collected by the state treasurer but are distributed to local governments for expenditure. Revenues from these taxes are commonly referred to as local government fund moneys. Ohio has in fact 89 "local government" funds, one state fund and 88 county funds. These funds are closely interrelated in law and administrative practice, but by statute they are also sharply differentiated, both as to the revenues of which they are composed and the formulas under which they are distributed. In the language of the statutes, there is one state "local government fund." There are 88 county "undivided local government funds." The accompanying tables show state and county undivided local government fund statistics for calendar year 1984 and the descriptions which follow reflect statutes in force during that period.

REVENUE SOURCES FOR STATE LOCAL GOVERNMENT FUND (R.C. 5733.12, 5739.21, 5747.03):

The state local government fund is composed of 3.5% of the state sales and personal income taxes and 15.4% of corporate franchise tax collections. These percentages of the previous month's collections of the three taxes are transferred to the state local government fund by the 10th of each month.

DETERMINATION OF COUNTY AND MUNICIPAL PORTIONS (R.C. 5747.50):

Before state local government fund revenues are distributed to local governments, the total amount in the fund is divided into municipal and county portions. This division of the state local goverment fund is determined by statutory formula. The total amount distributed to the county undivided local goverment funds equals: (1) eleven twelfths of the difference between the amount transferred to the state local government fund and 145.45% of the 1983 deposits tax revenue; plus (2) 145.45% of the 1983 deposits tax revenue; less (3) $6 million. The remainder (1/12 of the difference between the amount transferred and 145.45% of the 1983 deposits tax plus $6 million) is distributed directly to municipalities.

DISTRIBUTIONS TO COUNTY UNDIVIDED LOCAL GOVERNMENT FUNDS (R.C. 5747.501):

Each year, each county's share of the local goverment fund is determined as follows:

FORMULA 1: Each county receives 145.45% of the deposits taxes it actually received from financial institutions in 1983. Eleven twelfths of the remaining revenue in the fund (less $6 million) is distributed on the basis of the county's population at the last decennial census and the value of property within municipalities in the county for the second preceding year (25% is distributed based on population and 75% is distributed based on municipal property values). The minimum distribution from the population/valuation segment is $225,000. These two amounts are added together to determine the county's "formula 1" amount.

FORMULA 2: Eleven twelfths of the total state local government fund (less $6 million) is distributed to the counties based on county population and county municipal property values (25% based on population and 75% based on property values). The minimum distribution is $225,000. This is the county's "formula 2" amount.

The highest of these two formula allocations (called the "assigned amount") is taken for each county and these amounts for the 88 counties are added together to get a statewide total. Each county's "assigned amount" is then computed as a percentage of the total of the 88 "assigned amounts." Each county's percentage is its share of the county portion of the state local government fund. These percentages are applied against the total amount in the fund to determine each county's distribution. However, regardless of the resulting amounts, each county is guaranteed at least the amount it actually received in 1983. In addition, each county undivided local government fund receives 5/6 of the tax on dealers in intangibles attributed to that county.

DIRECT DISTRIBUTIONS TO MUNICIPALITIES (R.C. 5747.50):

Each municipality levying an income tax in the preceding year receives a share of the municipal portion of the state local government fund. The share each receives equals its percentage of total municipal income taxes collected in the state in the second preceding year.

MONTHLY DISTRIBUTION PROCEDURE (R.C. 5747.50):

Allocations from the state local government fund to both municipal corporations and counties are made on or before the tenth of each month, at the same time that the statutes require the crediting to the state local government fund of revenues from the three component taxes. Only the portion distributed to the counties is subject to possible further adjustments--to meet a minimum allocation per month of $25,000 and a minimum allocation per year equal to the amount actually received in calendar year 1983. The statutes authorize adjustments to be made in December to ensure each county the minimum allocation to which it is entitled for the entire calendar year. They also authorize moneys to be withheld during December or the ensuing calendar year so that the total amount received by a county does not exceed the proportionate share to which it is entitled or its statutory minimum, whichever is greater.

USE OF FUNDS DISTRIBUTED TO MUNICIPALITIES AND COUNTIES (R.C. 5747.50-5747.53):

All amounts received by a municipal corporation from the municipal portion of the state local government fund are paid into the municipality's general fund to be used for any lawful purpose. However, the amount which a county receives from the state local government fund is expressly designated for deposit in the county's undivided local government fund, where it is combined with revenue from one other source, state-collected intangible taxes paid by dealers in intangibles which are returned to the counties of origin. From the county undivided local government fund these moneys are then disbursed to local governments to be used for current operating expenses--to the county government itself, to municipalities, townships, and special districts. The statutes provide for these fund distributions to be made according to percentage determinations previously arrived at by each county budget commission on the basis of revenue estimates supplied by the Department of Taxation and according to specific statutory guidelines which are intended to yield a distribution which reflects the "needs" of the various recipient governmental units or according to alternative apportionment methods or formulas devised by the county budget commission. Such alternative apportionments are authorized if approved by subdivisions within the county as required by statute.

REVENUES DISTRIBUTED TO LOCAL GOVERNMENTS IN 1984:

About $277.4 million was distributed to local governments during 1984 from the state local government fund. An additional $4.8 million was earmarked for the county undivided local government fund from the tax on dealers in intangibles. As shown in table 52, the amount distributed from the state local government fund increased greatly (67%) while the earmarked intangibles taxes decreased dramatically (95%). These changes reflect the repeal of the tax paid on deposits and replacement of the revenue loss from the state local government fund. Table 53 shows the amounts distributed from the state local government fund to counties and municipalities by county. Table 54 shows the amounts distributed to counties for redistribution to subdivisions by the conty budget commissions. The amount actually distributed by the budget commissions are shown in table 55 by type of subdivision for each county.

Table 52

TOTAL STATE-COLLECTED REVENUES DISTRIBUTED
FOR GENERAL LOCAL GOVERNMENTAL PURPOSES, CALENDAR YEARS 1980-1984

	Total State Local Government Fund		Earmarked Intangible Taxes		State LGF and Intangible Taxes Combined	
	Amount	Percent Increase	Amount	Percent Increase	Amount	Percent Increase
1980	$103,277,756	+ 2.20	$138,796,618	+ 10.92	$242,074,374	+ 7.03
1981	109,032,313	+ 5.57	145,261,965	+ 4.66	254,294,278	+ 5.05
1982	161,350,590	+ 47.98	99,507,005	- 31.50	260,857,595	+ 2.58
1983	165,944,316	+ 2.85	104,524,780	+ 5.04	270,469,096	+ 3.68
1984	277,430,325	+ 67.18	4,773,659	- 95.43	282,203,984	+ 4.34

Source: Ohio Auditor of State.

Table 53

STATE LOCAL GOVERNMENT FUND:(a) AMOUNTS DISTRIBUTED TO COUNTIES AND MUNICIPALITIES, BY COUNTY, CALENDAR YEAR 1984

Counties	To County Undivided Local Government Fund	To Municipalities	Total State LGF
Adams	$ 391,998	$ 101	$ 392,099
Allen	2,572,119	82,220	2,654,339
Ashland	962,099	36,023	998,122
Ashtabula	1,984,191	73,576	2,057,767
Athens	792,715	26,863	819,578
Auglaize	1,030,498	29,466	1,059,964
Belmont	1,693,903	14,876	1,708,779
Brown	512,240	938	513,178
Butler	5,830,578	358,725	6,189,303
Carroll	391,693	221	391,914
Champaign	645,252	19,105	664,357
Clark	2,584,717	203,936	2,788,653
Clermont	1,351,003	20,691	1,371,694
Clinton	702,887	9,520	712,407
Columbiana	2,027,889	72,394	2,100,283
Coshocton	699,034	26,265	725,299
Crawford	1,161,110	39,306	1,200,416
Cuyahoga	51,163,061	4,601,961	55,765,022
Darke	1,081,026	25,817	1,106,843
Defiance	933,846	29,722	963,568
Delaware	1,066,331	34,487	1,100,818
Erie	1,618,722	63,988	1,682,710
Fairfield	1,674,385	61,164	1,735,549
Fayette	499,502	7,679	507,181
Franklin	24,858,751	1,840,201	26,698,952
Fulton	917,649	38,202	955,851
Gallia	500,624	11,317	511,941
Geauga	987,526	21,877	1,009,403
Greene	2,720,063	77,838	2,797,901
Guernsey	818,286	23,035	841,321
Hamilton	23,079,850	2,270,324	25,350,174
Hancock	1,585,861	80,129	1,665,990
Hardin	606,914	20,819	627,733
Harrison	387,156	5,787	392,943
Henry	592,055	13,179	605,234
Highland	622,403	11,377	633,780
Hocking	456,783	10,462	467,245
Holmes	468,755	4,097	472,852
Huron	1,211,562	43,108	1,254,670
Jackson	502,565	-0-	502,565
Jefferson	2,137,283	69,358	2,206,641
Knox	886,588	30,605	917,193
Lake	6,493,218	322,764	6,815,982
Lawrence	815,723	24,947	840,670
Licking	2,397,293	103,578	2,500,871
Logan	785,775	18,710	804,485
Lorain	7,736,015	264,331	8,000,346
Lucas	13,005,507	1,118,966	14,124,473
Madison	515,134	13,771	528,905
Mahoning	5,872,018	378,609	6,250,627
Marion	1,432,015	56,130	1,488,145
Medina	2,274,309	60,783	2,335,092
Meigs	391,364	-0-	391,364
Mercer	962,127	16,354	978,481
Miami	1,991,460	73,817	2,065,277
Monroe	326,014	3,650	329,664
Montgomery	13,451,049	1,189,363	14,640,412
Morgan	347,499	1,169	348,668
Morrow	355,912	5,183	361,095
Muskingum	1,457,195	73,884	1,531,079

Counties	To County Undivided Local Government Fund	To Municipalities	Total State LGF
Noble	$ 339,999	-0-	$ 339,999
Ottawa	747,736	$ 22,411	770,147
Paulding	394,859	-0-	394,859
Perry	402,877	7,648	410,525
Pickaway	664,622	16,913	681,535
Pike	391,269	-0-	391,269
Portage	2,237,819	107,678	2,345,497
Preble	578,498	11,788	590,286
Putnam	689,698	17,259	706,957
Richland	3,033,334	146,495	3,179,829
Ross	1,229,875	44,968	1,274,843
Sandusky	1,372,743	45,100	1,417,843
Scioto	1,282,381	38,039	1,320,420
Seneca	1,554,340	66,218	1,620,558
Shelby	1,023,918	42,061	1,065,979
Stark	8,221,843	514,814	8,736,657
Summit	12,308,810	1,051,616	13,360,426
Trumbull	4,855,043	220,582	5,075,625
Tuscarawas	1,954,093	80,705	2,034,798
Union	464,833	12,683	477,516
Van Wert	659,307	24,838	684,145
Vinton	310,320	-0-	310,320
Warren	1,543,281	44,005	1,587,286
Washington	1,146,296	43,706	1,190,002
Wayne	2,142,198	90,911	2,233,109
Williams	890,921	32,798	923,719
Wood	2,173,267	121,420	2,294,687
Wyandot	540,105	13,516	553,621
Total	260,475,385	16,954,940	$277,430,325

(a) The state local government fund (LGF) consists of monthly allocations from the general revenue fund equal to 3.5% of the previous month's collections of the personal income tax and state sales tax, and 15.4% of the corporation franchise tax.

SOURCE: Records of the Auditor of State

Table 54

COUNTY UNDIVIDED LOCAL GOVERNMENT FUNDS: AMOUNTS DISTRIBUTED TO COUNTIES FOR REDISTRIBUTION TO SUBDIVISIONS BY COUNTY BUDGET COMMISSIONS, BY COUNTY AND BY SOURCE, CALENDAR YEAR 1984

County	State Local Government Fund	Intangible Taxes (R.C. 5725.24) (a)	Total State Revenues For County Undivided Local Government Funds	County	State Local Government Fund	Intangible Taxes (R.C. 5725.24) (a)	Total State Revenues For County Undivided Local Government Funds
Adams	$ 391,998	$ 570	$ 392,568	Logan	$ 785,775	$ 609	$ 786,384
Allen	2,572,119	31,948	2,604,067	Lorain	7,736,015	63,994	7,800,009
Ashland	962,099	1,443	963,542	Lucas	13,005,507	117,312	13.122,819
Ashtabula	1,984,191	5,387	1,989,578	Madison	515,134	1,014	516,148
Athens	792,715	2,860	795,575	Mahoning	5,872,018	130,459	6,002,477
Auglaize	1,030,498	4,071	1,034,569	Marion	1,432,015	7,749	1,439,764
Belmont	1,693,903	1,213	1,695,116	Medina	2,274,309	3,682	2,277,991
Brown	512,240	-0-	512,240	Meigs	391,364	-0-	391,364
Butler	5,830,578	59,256	5,889,834	Mercer	962,127	3,437	965,564
Carroll	391,693	-0-	391,693	Miami	1,991,460	3,754	1,995,214
Champaign	645,252	-0-	645,252	Monroe	326,014	-0-	326,014
Clark	2,584,717	21,165	2,605,882	Montgomery	13,451,049	474,086	13,925,135
Clermont	1,351,003	51,612	1,402,615	Morgan	347,499	20	347,519
Clinton	702,887	9,675	712,562	Morrow	355,912	-0-	355,912
Columbiana	2,027,889	10,907	2,038,796	Muskingum	1,457,195	7,317	1,464,512
Coshocton	699,034	2,389	701,423	Noble	339,999	-0-	339,999
Crawford	1,161,110	17,779	1,178,889	Ottawa	747,736	-0-	747,736
Cuyahoga	51,163,061	1,414,037	52,577,098	Paulding	394,859	-0-	394,859
Darke	1,081,026	38,024	1,119,050	Perry	402,877	-0-	402,877
Defiance	933,846	966	934,812	Pickaway	664,622	193	664,815
Delaware	1,066,331	38,884	1,105,215	Pike	391,269	649	391,918
Erie	1,618,722	8,885	1,627,607	Portage	2,237,819	4,639	2,242,458
Fairfield	1,674,385	8,158	1,682,543	Preble	578,498	549	579,047
Fayette	499,502	3,744	503,246	Putnam	689,698	-0-	689,698
Franklin	24,858,751	756,549	25,615,300	Richland	3,033,334	46,502	3,079,836
Fulton	917,649	277	917,926	Ross	1,229,875	5,766	1,235,641
Gallia	500,624	2,937	503,561	Sandusky	1,372,743	2,249	1,374,992
Geauga	987,526	-0-	987,526	Scioto	1,282,381	5,334	1,287,715
Greene	2,720,063	34,974	2,755,037	Seneca	1,554,340	2,860	1,557,200
Guernsey	818,286	1,646	819,932	Shelby	1,023,918	983	1,024,901
Hamilton	23,079,850	729,829	23,809,679	Stark	8,221,843	91,670	8,313,513
Hancock	1,585,861	38,330	1,624,191	Summit	12,308,810	192,670	12,501,480
Hardin	606,914	8,511	615,425	Trumbull	4,855,043	23,499	4,878,542
Harrison	387,156	-0-	387,156	Tuscarawas	1,954,093	7,215	1,961,308
Henry	592,055	-0-	592,055	Union	464,833	71,713	536,546
Highland	622,403	1,553	623,956	Van Wert	659,307	12	659,319
Hocking	456,783	-0-	456,783	Vinton	310,320	-0-	310,320
Holmes	468,755	-0-	468,755	Warren	1,543,281	1,437	1,544,718
Huron	1,211,562	5,501	1,217,063	Washington	1,146,296	32,921	1,179,217
Jackson	502,565	1,394	503,959	Wayne	2,142,198	4,090	2,146,288
Jefferson	2,137,283	19,652	2,156,935	Williams	890,921	645	891,566
Knox	886,588	1,474	888,062	Wood	2,173,267	3,490	2,176,757
Lake	6,493,218	54,003	6,547,221	Wyandot	540,105	-0-	540,105
Lawrence	815,723	66,807	882,530				
Licking	2,397,293	4,730	2,402,023	Total	$260,475,385	$4,773,659	$265,249,044

(a) State-collected intangible taxes paid by dealers in intangibles and returned to counties of origin pursuant to R.C. 5725.24.

Table 55

DISTRIBUTION OF COUNTY UNDIVIDED LOCAL GOVERNMENT FUNDS,
BY COUNTY, CALENDAR YEAR 1984

	Amount Distributed By Subdivision Class			
County	County	Townships	Municipalities	Total(a)
Adams	$ 196,284	$ 120,782	$ 75,503	$ 392,569
Allen	931,028	141,259	1,432,718	2,604,067*
Ashland	480,760	160,815	322,326	963,901
Ashtabula	756,135	299,060	894,837	1,989,829*
Athens	397,788	79,558	318,230	795,576
Auglaize	340,065	117,683	572,750	1,030,498
Belmont	826,692	175,014	693,409	1,695,115
Brown	256,120	128,060	128,060	512,240
Butler	2,945,696	250,773	2,511,166	5,891,391*
Carroll	235,016	58,754	97,923	391,693
Champaign	306,931	61,518	245,929	614,378
Clark	1,303,336	139,457	1,163,879	2,606,672
Clermont	701,308	140,262	561,046	1,402,616
Clinton	324,216	71,256	317,090	712,562
Columbiana	1,019,398	203,880	815,518	2,038,796
Coshocton	350,712	124,692	225,995	701,399
Crawford	589,445	117,889	471,556	1,178,890
Cuyahoga	15,773,129	105,886	35,961,871	52,577,098*
Darke	269,135	171,574	680,688	1,121,397
Defiance	397,295	257,073	275,769	934,811*
Delaware	483,387	153,805	461,415	1,098,607
Erie	931,138	253,007	513,451	1,697,596
Fairfield	422,270	189,471	1,070,803	1,682,544
Fayette	186,402	50,325	266,519	503,246
Franklin	7,919,969	1,360,198	14,926,291	25,615,299*
Fulton	385,413	174,353	357,883	917,649
Gallia	216,531	65,463	221,567	503,561
Geauga	375,260	494,436	117,830	987,526
Greene	1,185,492	239,413	1,235,634	2,755,037*
Guernsey	409,966	67,467	255,973	733,406
Hamilton	13,329,537	1,125,614	9,117,590	23,809,648*
Hancock	758,172	251,262	582,272	1,624,190*
Hardin	307,462	119,075	188,993	615,530
Harrison	193,578	96,789	96,789	387,156
Henry	231,044	86,642	259,925	577,611
Highland	311,978	106,072	205,905	623,955
Hocking	251,231	119,403	84,650	455,284
Holmes	281,253	131,251	56,251	468,755
Huron	413,110	140,323	663,605	1,217,038
Jackson	251,979	70,554	181,425	503,958
Jefferson	649,307	213,942	1,274,034	2,137,283
Knox	444,031	115,448	328,583	888,062
Lake	722,486	453,015	5,263,272	6,547,221*
Lawrence	529,518	88,253	264,759	882,530
Licking	1,201,012	259,899	941,113	2,402,024
Logan	$ 391,192	$ 121,655	$ 271,537	$ 784,384
Lorain	3,651,855	309,382	3,348,401	7,809,638+
Lucas	4,271,018	303,321	7,931,313	13,122,818*
Madison	258,074	77,422	180,652	516,148
Mahoning	2,364,640	400,000	2,127,526	5,238,537*
Marion	611,900	143,976	682,838	1,439,764*
Medina	1,002,218	246,078	877,526	2,277,992*
Meigs	154,521	117,409	117,409	389,339
Mercer	415,192	173,801	376,570	965,563
Miami	698,325	199,521	1,097,368	1,995,214
Monroe	185,675	84,845	55,493	326,013
Montgomery	6,266,803	500,259	6,949,189	13,926,259*
Morgan	173,760	81,598	92,162	347,520
Morrow	213,547	81,504	60,861	355,912
Muskingum	613,739	200,790	721,867	1,536,396
Noble	204,000	71,400	64,600	340,000
Ottawa	380,000	157,360	262,640	800,000
Paulding	197,649	71,154	126,495	395,298
Perry	201,439	90,683	110,756	402,878
Pickaway	332,474	79,794	252,681	664,949
Pike	215,555	78,400	97,963	391,918
Portage	977,937	462,170	802,351	2,242,458
Preble	289,524	57,905	231,619	579,048
Putnam	206,909	158,631	324,158	689,698
Richland	1,438,817	261,786	1,432,124	3,132,727
Ross	503,130	244,737	490,289	1,238,156
Sandusky	687,496	136,586	539,527	1,374,991*
Scioto	505,897	128,775	653,099	1,287,771
Seneca	678,785	226,262	603,365	1,508,412
Shelby	512,450	102,490	409,960	1,024,900
Stark	4,156,387	749,317	3,394,371	8,313,512*
Summit	3,818,640	1,319,606	7,138,818	12,501,481+
Trumbull	2,439,335	821,597	1,617,738	4,878,670
Tuscarawas	980,654	235,357	743,380	1,961,259*
Union	321,928	128,685	85,933	536,546
Van Wert	328,748	115,733	209,295	659,319*
Vinton	155,160	65,167	89,993	310,320
Warren	658,524	181,570	628,356	1,543,450*
Washington	531,841	293,507	357,309	1,182,657
Wayne	982,173	258,344	905,770	2,146,287
Williams	329,374	116,354	445,193	890,921
Wood	601,529	217,676	1,357,552	2,176,757
Wyandot	294,010	147,005	147,005	588,020
Total	$104,994,839	$19,370,537	$135,115,847	$264,584,114(a)

(a) Includes amounts not contained in preceding subdivision class columns totalling $4,378,474 for park districts in 20 counties, and $724,417 for public assistance in two counties.

* Includes amount(s) for park district(s) not accounted for in preceding columns.
+ Includes an amount for public assistance not shown in preceding columns.

Note: Differences between county totals in this table and totals in previous tables result from normal time lag in distribution of funds.

MOTOR VEHICLE FUEL TAX

An excise tax is imposed on all dealers in motor vehicle fuel upon the use, distribution, or sale within the state of Ohio of fuel used in generating power for the propulsion of motor vehicles. The fuel tax is actually composed of five separate levies: three levies of two cents each; one levy of one cent; and a cents per gallon rate. The cents per gallon rate in effect during fiscal year 1985 was 5 cents. This rate was based upon the factors of highway maintenance costs and motor vehicle fuel consumption. Prior to March 1, 1984, the cents per gallon rate was adjusted annually, however, it will now remain in effect at 5 cents.

After amounts are set aside for refunds, the Waterways Safety Fund, and highway bond retirement, the remaining fuel tax receipts are distributed in approximately the following proportion: 75% to the state, 10.7% to municipalities, 9.3% to counties, and 5% to townships. All of this money is earmarked for highway related purposes in accordance with Article XII, Section 5a of the Ohio Constitution.

There are other provisions in Ohio law concerning the taxation of motor fuel and distribution of tax receipts: a portion of the motor fuel tax collected on fuel sold by the Ohio Turnpike Commission stations is returned to the Commission for turnpike projects; a use tax is imposed on operators of vehicles subject to the Ohio highway use tax for fuel purchased outside of the state but consumed in Ohio; and dealers receive a credit which effectively equals 3.5¢ (2.5¢ effective February 1, 1985) per gallon on gasohol.

Motor vehicle fuel wholesalers and distributors rather than retailers remit the tax. In fiscal year 1985, motor fuel tax receipts were $615.5 million.

TAX BASE (R.C. 5735.06):

Gallons of motor vehicle fuel sold, used, or distributed in Ohio.

RATES:

Ohio Revised Code Section	Tax Rate Per Gallon July 1, 1984 - June 30, 1985
5735.30	1¢
5735.05	2¢
5735.25	2¢
5735.29	2¢
5735.05 (Cents Per Gallon Rate)*	5.0¢
Total Rate Per Gallon	12.0¢

*See description under "**Special Provisions**".

DEDUCTIONS, REFUNDS, AND CREDITS:

1. Dealers may claim the following deductions from their reported gallonage. (R.C. 5735.05, 5735.06):

   (a) Sales made either by tank car or cargo lots for purposes other than propelling motor vehicles on public highways or on waters within Ohio.
   (b) Sales of motor fuel made by licensed dealers to other licensed dealers for delivery by tank car or boat.
   (c) Export of motor fuel to other states or foreign countries.
   (d) Sales of motor fuel for exclusive use of the United States Government or its agencies.

DEDUCTIONS, REFUNDS, AND CREDITS (cont'd):

(e) Sales of motor fuel that is in the process of transportation in either interstate or foreign commerce.
(f) Sales of motor fuel to be used exclusively for the propulsion of aircraft.
(g) Three percent of net, taxable gallons of motor fuel to cover evaporation, shrinkage, and other losses. This deduction is only two percent on motor fuel sold to a retailer.

2. Persons who have purchased motor vehicle fuel on which the fuel tax has been paid may receive a refund under the following conditions (R.C. 5735.13, 5735.14, 5735.141, 5735.142, 5735.18):

(a) Fuel used in the following ways: to operate or propel stationary gas engines; tractors used for off-highway purposes; unlicensed motor vehicles used exclusively in intraplant operations.
(b) Motor fuel used by watercraft in the following ways: vessels used entirely for commercial purposes such as trade or fishing; vessels used in Boy Scout training; vessels used or owned by railroad car ferry companies; vessels used or owned by federal, state, and local governments.
(c) Fuel used for cleaning or dyeing.
(d) Motor fuel used by local transit systems except for the one-cent bond retirement levy.
(e) Motor fuel used in aircraft.
(f) One percent of the motor fuel tax paid on fuel purchased by retailers to cover losses from shrinkage and evaporation.
(g) Fuel lost or destroyed through theft, fire, explosion, lightning and other natural disasters.
(h) Any person, other than a dealer, who sells the fuel or uses the fuel outside Ohio, or who sells the fuel to the U.S. government or any of its agencies.

3. Dealers may receive the following credit against their fuel tax liability **(see: "Recent Legislation" for changes effective in fiscal year 1985)** (R.C. 5735.145):

(a) 35¢ (25¢ effective February 1, 1985) per gallon of ethanol or methanol not made from petroleum or natural gas, combined with gasoline to create a blend containing not more than 10% ethanol or methanol. This credit effectively equals 3.5¢ (2.5¢ effective February 1, 1985) per gallon of gasohol containing no more than ten percent ethanol or methanol that has not been made from petroleum or natural gas, combined with gasoline.

TAXPAYER (R.C. 5735.01):

Dealers who import into Ohio, produce, refine, prepare, distill, and otherwise process motor vehicle fuel for use, distribution, or sale and delivery in Ohio; or who purchase motor vehicle fuel for sale to any person for resale.

FILING AND PAYMENT DATES (R.C. 5735.06):

By the last day of each month for the preceding month's tax liability; filed with the Ohio Treasurer of State.

SPECIAL PROVISIONS:

Cents per Gallon Rate (Variable Rate) (R.C. 5735.011): This rate is intended to increase funds for highway expenditures to make up for higher costs and reduced tax receipts from lower motor vehicle fuel consumption. The present rate of 5 cents that began March 1, 1984, will continue in effect from that point on. Between 1982 and 1984, the rate was calculated annually. The procedure used for calculating the cents per gallon tax rate is as follows:

(a) Divide the highway maintenance cost trend index as published by the U.S. Department of Transportation for the most recent preceding calendar year by the maintenance index for 1975.
(b) Divide motor vehicle fuel consumption for fiscal year 1975 by motor vehicle fuel for the fiscal year preceding the calculation.

SPECIAL PROVISIONS (cont'd):

(c) Multiply the quotient obtained in (a) of this section by the quotient obtained in (b) of this section.
(d) Multiply the product obtained in (c) of this section by 6 cents.
(e) Subtract 6 cents from the product obtained in (d). If the difference is a positive amount of 5 cents or less, the difference will be the cents per gallon rate, rounded to the nearest 1/10th of 1 cent. If the difference is a negative amount, the cents per gallon rate is zero. If the difference is a positive amount in excess of five cents, the cents per gallon rate is five cents.

Fuel Use Tax (R.C. 5735.31): The Ohio motor vehicle fuel tax is imposed on the amount of motor fuel purchased outside of Ohio and consumed in Ohio for any vehicle subject to the highway use tax. A refund is allowed for the tax on fuel purchased in Ohio for use in another state provided that state imposes a tax on such fuel and allows a similar credit or refund.

DISPOSITION OF REVENUE:

The motor vehicle fuel tax is composed of five separate levies. Each of these levies is distributed in a different manner. Prior to any distribution, the following transfers of receipts are made:

(1) 0.5% to the Waterways Safety Fund.
(2) The amount needed to insure that there are sufficient funds to meet all payments for highway bond retirement.
(3) An amount equal to the current cents per gallon rate times the number of gallons sold at stations operated by the Ohio Turnpike Commission to the Commission for turnpike projects.

Tax Rate	Disposition of Revenue
2 cents per gallon (R.C. Section 5735.05)	(R.C. Section 5735.23) - 30% to municipal corporations in proportion to their motor vehicle registrations; - 25% to all counties in equal amounts; - 45% to the state.
2 cents per gallon (R.C. Section 5735.25)	(R.C. Sections 5735.26, 5735.27) - 67.5% to the state; - 7.5% to all counties in equal amounts; - 7.5% to municipalities in proportion to their motor vehicle registrations; - 17.5% to all townships in equal amounts.
2 cents per gallon (R.C. Section 5735.29)	(R.C. Section 5735.291) - 100% to the state.
1 cent per gallon (R.C. Section 5735.30)	(R.C. Section 5735.30) - 100% to the state for highway bond retirement funds, as long as required; thereafter, 100% to the state highway operating fund.
Cents Per Gallon Tax (R.C. Section 5735.05) 5.0 cents per gallon	(R.C. Section 5735.23) - 75.0% to the state; - 10.7% to municipalities in proportion to their motor vehicle registration; - 9.3% to all counties in equal amounts; - 5.0% to all townships in equal amounts.

OHIO REVISED CODE CITATIONS:

Chapter 5735.

RECENT LEGISLATION:

H.B. 334, effective December 26, 1984.

R.C. 5735.13, 5735.14, 5735.141, 5735.142: Refunds shall be reduced by the cents per gallon amount of any qualified fuel credit.

R.C. 5735.145: Changes definition of "qualified fuel" to include only ethanol. To qualify, the ethanol must be produced from wood or the grain of a cereal grass and must either be produced in a facility with an annual capacity under 2 million gallons or be produced through a coal-fired process.

Reduces the credit for ethanol by 10¢ for each cent that the federal credit exceeds 5¢ per blended gallon of gasohol.

Qualified fuel produced outside of Ohio is not eligible for the credit unless the state where it is produced also allows an exemption or credit for ethanol produced in Ohio.

Table 56

GROSS AMOUNT OF MOTOR VEHICLE FUEL TAX CERTIFIED FOR COLLECTION, REFUNDS AND NET TAX AFTER REFUNDS, FISCAL YEARS 1981-1985

Fiscal Year	Gross Collections	Amount Certified For Refund	Net Tax After Refund
1981	$386,616,530	$ 8,743,441	$377,873,089
1982	566,281,817	11,548,590	554,733,227
1983	596,789,201	16,309,025	580,480,176
1984	629,674,907	15,465,216	614,209,691
1985	629,399,556	13,875,962	615,523,594

Table 57

TAXABLE GALLONS OF MOTOR VEHICLE FUEL, FISCAL YEARS 1981-1985

	1981	1982	1983	1984	1985
Gasoline	4,723,145,064	4,508,227,206	4,470,537,326	4,505,361,798	4,498,646,716
Special Fuels	732,431,141	744,193,881	753,996,908	867,418,821	893,415,019
Total	5,455,576,205	5,252,421,087	5,224,534,234	5,372,780,619	5,392,061,735

Table 58

MOTOR FUEL TAXES DISTRIBUTED TO LOCAL GOVERNMENTS, BY COUNTY, CALENDAR YEAR 1984

		Amount Distributed To:		
County	Total	County	Townships	Municipalities
Adams	$1,078,355	$654,327	$352,019	$ 72,009
Allen	1,523,415	654,327	281,615	587,473
Ashland	1,247,944	654,327	352,019	241,598
Ashtabula	1,754,387	654,327	633,635	466,425
Athens	1,172,151	654,327	328,551	189,273
Auglaize	1,245,919	654,327	328,551	263,041
Belmont	1,393,884	654,327	375,487	364,070
Brown	1,134,101	654,327	375,487	104,287
Butler	2,512,486	654,327	305,083	1,553,076
Carroll	1,035,965	654,327	328,551	53,087
Champaign	1,093,678	654,327	281,615	157,736
Clark	1,585,249	654,327	234,680	696,242
Clermont	1,156,229	654,327	328,551	173,351
Clinton	1,141,290	654,327	305,083	181,880
Columbiana	1,530,401	654,327	422,423	453,651
Coshocton	1,345,442	654,327	516,295	174,820
Crawford	1,345,597	654,327	375,487	315,783
Cuyahoga	13,165,222	654,327	93,872	12,417,023
Darke	1,377,825	654,327	469,359	254,139
Defiance	1,143,482	654,327	281,615	207,540
Delaware	1,311,898	654,327	422,423	235,148
Erie	1,360,643	654,327	211,212	495,104
Fairfield	1,442,079	654,327	305,083	482,669
Fayette	1,029,231	654,327	234,680	140,224
Franklin	8,398,200	654,327	398,955	7,344,918
Fulton	1,124,153	654,327	281,615	188,211
Gallia	1,070,188	654,327	352,019	63,842
Geauga	1,151,604	654,327	375,487	121,790
Greene	1,933,223	654,327	281,615	997,281
Guernsey	1,269,400	654,327	445,891	169,182
Hamilton	6,278,505	654,327	281,615	5,342,563
Hancock	1,493,687	654,327	398,955	440,405
Hardin	1,166,961	654,327	352,019	160,615
Harrison	1,088,512	654,327	352,019	82,166
Henry	1,110,515	654,327	305,083	151,105
Highland	1,182,969	654,327	398,955	129,687
Hocking	987,793	654,327	258,147	75,319
Holmes	1,031,056	654,327	328,551	48,1,78
Huron	1,437,100	654,327	445,891	336,882
Jackson	1,065,842	654,327	281,615	129,900
Jefferson	1,443,364	654,327	328,551	460,486
Knox	1,366,682	654,327	516,295	196,060
Lake	2,516,475	654,327	117,340	1,744,808
Lawrence	1,200,153	654,327	328,551	217,275
Licking	1,952,589	654,327	610,167	688,095
Logan	$1,252,722	$654,327	$398,955	$ 199,440
Lorain	3,025,132	654,327	422,423	1,948,382
Lucas	4,520,660	654,327	258,147	3,608,186
Madison	1,131,164	654,327	328,551	148,286
Mahoning	2,189,049	654,327	328,551	1,206,171
Marion	1,385,026	654,327	352,019	378,680
Medina	1,732,954	654,327	398,955	679,672
Meigs	1,007,393	654,327	281,615	71,451
Mercer	1,185,197	654,327	328,551	202,319
Miami	1,504,264	654,327	281,615	568,322
Monroe	1,123,077	654,327	422,423	46,327
Montgomery	4,790,540	654,327	281,615	3,854,598
Morgan	1,018,405	654,327	328,551	35,527
Morrow	1,090,393	654,327	375,487	60,579
Muskingum	1,577,821	654,327	586,699	336,795
Noble	1,036,977	654,327	352,019	30,631
Ottawa	1,087,047	654,327	281,615	151,105
Paulding	1,015,612	654,327	281,615	79,670
Perry	1,103,998	654,327	328,551	121,120
Pickaway	1,170,331	654,327	352,019	163,985
Pike	1,045,631	654,327	328,551	62,753
Portage	1,622,710	654,327	422.423	545,960
Preble	1,108,156	654,327	281,615	172,214
Putnam	1,155,422	654,327	352,019	149,076
Richland	1,808,615	654,327	422,423	731,865
Ross	1,311,872	654,327	375,487	282,058
Sandusky	1,211,801	654,327	281,615	275,859
Scioto	1,287,837	654,327	375,487	258,023
Seneca	1,373,235	654,327	352,019	366,889
Shelby	1,214,631	654,327	328,551	231,753
Stark	2,744,609	654,327	398,955	1,691,327
Summit	4,836,225	654,327	305,083	3,876,815
Trumbull	2,271,013	654,327	563,231	1,053,455
Tuscarawas	1,707,120	654,327	516,295	536,498
Union	1,096,916	654,327	328,551	114,038
Van Wert	1,093,390	654,327	281,615	157,448
Vinton	973,931	654,327	281,615	37,989
Warren	1,384,690	654,327	258,147	472,216
Washington	1,436,770	654,327	516,295	266,148
Wayne	1,481,053	654,327	375,487	451,239
Williams	1,128,237	654,327	281,615	192,295
Wood	1,644,841	654,327	445,891	544,623
Wyandot	1,090,292	654,327	305,083	130,882
Total	$154,372,603	$57,580,776	$30,930,741	$65,861,086

SOURCE: Records of Ohio Auditor of State.

PUBLIC UTILITY EXCISE TAX

The public utility excise tax, a tax for the privilege of doing business in Ohio, is payable by virtually all companies classified by statute as public utilities. Companies liable for this tax do not pay the corporation franchise tax. Only utilities owned by municipal corporations are exempt from the public utility excise tax.

Both tax base and rates vary with the class of utility. Gross receipts or gross earnings comprise the tax base for most utility classes, with rates ranging from 4.75% to 6.75% for 1984. The rate is 3.75% for companies which are taxed on a capital stock base. Companies, except freight line and equipment companies, with a preceding year's tax liability of $1,000 or more are liable during each calendar year for three advance payments -- each in an amount equal to one-third of the previous year's certified tax liability. When the current year's total tax liability as certified to the Auditor of State exceeds the sum of the three advance payments, a final payment is due in December for the difference.

Total public utility excise taxes of $614.4 million were certified in November, 1984. Electric light companies accounted for about 54% of total taxes levied, while the natural gas industry accounted for 25% and the telephone industry accounted for 20% of the total. Therefore, these three main industries were responsible for 99% of the total excise taxes on public utilities.

TAX BASE (R.C. 5727.01, 5727.26):

Gross receipts, gross earnings, or value of capital stock, depending upon class of utility.

EXEMPTIONS AND DEDUCTIONS (R.C. 5709.35, 5727.05, 5727.33, 5727.34):

Exempt Utilities:

1. Municipally-owned utilities.

Deductions from Gross Receipts:

1. $25,000 for all companies.
2. Amounts attributable to sales of merchandise.
3. Receipts derived wholly from interstate business.
4. Sales to other public utilities for resale.
5. Receipts from business done for the federal government.
6. Receipts from facilities used to convert coal to gaseous, liquid, or solid fuels - for a period of 30 years.

TAX BASE AND RATES:

Utility Class	Base	Tax Rate				
		1980	1981	1982(a)	1983(a)	1984-1985
Electric Light, Rural Electric, Intrastate Toll Bridge, Artificial Gas, Natural Gas, Waterworks, Telephone, Union Depot, Heating, Cooling, and Water Transportation (R.C. 5727.38)	Gross Receipts	4.00%	5.00%	4.71%	5.28%	4.75%
Telegraph (R.C. 5727.38)	Gross Receipts	4.00%	5.00%	4.75%	5.28%	4.75%
Railroads (R.C. 5727.40)	Gross Earnings	4.50%	5.50%	5.28%	5.81%	5.25%
Express (R.C. 5727.38)	Gross Receipts	4.65%	5.65%	5.40%	5.96%	4.75%
Messenger (R.C. 5727.38)	Gross Receipts	3.35%	4.35%	4.06%	4.59%	4.75%
Pipe Line (R.C. 5727.38)	Gross Receipts	6.00%	7.00%	6.86%	7.39%	6.75%
Freight line and Equipment (R.C. 5727.27)	Capital Stock	3.50%	3.50%	3.75%	3.75%	3.75%

(a) Rates include surtax.

TAX REPORTING AND CERTIFICATION DEADLINES (See: "Recent Legislation" for changes effective in fiscal year 1985):

Utility Class	Deadline	For
Freight Line, and Equipment Companies (R.C. 5727.24, 5727.26, 5727.27)	May 31*	Company's annual statement to Tax Commissioner for preceding calendar year.
	First Monday in September	Commissioner's determination of amount of capital stock.
	First Monday in November	Commissioner's certification of tax base to Auditor of State.
Railroads (R.C. 5727.31, 5727.32, 5727.34, 5727.37)	September 1*	Company's annual statement to Tax Commissioner for year ending on June 30.
	First Monday in October	Commissioner's determination of gross earnings.
	First Monday in November	Commissioner's certification of tax base to Auditor of State.
All Other Public Utilities (R.C. 5727.31, 5727.32 5727.33, 5727.36)	August 1*	Company's annual statement to Tax Commissioner for year ending on April 30 (June 30 for express, telephone, and telegraph companies).
	First Monday In September	Commissioner's determination of gross receipts.
	First Monday in November	Commissioner's certification of tax base to Auditor of State.

*Subject to time extension of 60 days (R.C. 5727.48).

TAX PAYMENT DEADLINES:

Utility Class	Deadlines	For
All Utility Companies except Freight Line & Equipment Companies (R.C. 5727.31)	October 15, March 1, and June 1	Reports to Tax Commissioner and advance payments to State Treasurer for tax liability to be certified for collection in December. Each payment equal to one-third of previous year's liability. These reports and payments are due from each utility with an excise tax liability for the previous year in excess of $1,000.
All Utility Companies (R.C. 5727.28, 5727.38, 5727.40, 5727.42)	Third Monday in November	State Auditor's certification to Treasurer of State of amounts of tax charged for collection from each utility.
All Utility Companies (R.C. 5727.45)	Fourth Monday in December	(Or by 20th day following Treasurer's mailing of notification, whichever date is later.) Final payment equal to total tax certified for collection for the current year, less advance payments made.

DISPOSITION OF REVENUE (R.C. 5727.45):

All to state General Revenue Fund.

OHIO REVISED CODE CITATIONS:

Chapter 5727.

RECENT LEGISLATION:

H.B. 491, effective June 18, 1985.

R.C. 5727.39 (B): Allows an excise tax credit for telephone companies equal to the non-recurring (start-up) costs of a 9-1-1 telephone system (emergency service telephone system). The credit must be claimed in the year the system becomes available for use. Any credit in excess of that year's liability may be carried over to succeeding years until completely used.

R.C. 5727.39 (C): The Tax Commissioner must compute the amount equal to 25% of the excise tax levied on telephone companies in 1984. This amount is the credit ceiling. Beginning in 1986, this credit ceiling is adjusted for increases in the comsumer price index.

R.C. 5727.39 (D): If the credit claimed in the current year plus the credits allowed in prior years exceeds the current year's credit ceiling, the current year's credits are reduced so that the total credits allowed equal the credit ceiling. After that year, no additional credits will be allowed.

H.B. 201, effective July 1, 1985.

R.C. 5727.26, 5727.33, 5727.34: Remove deadlines for determination of excise tax base by Tax Commissioner.

R.C. 5727.27, 5727.38, 5727.40: Provdes that the Tax Commissioner is to assess the excise tax on freight line and equipment companies on or before first Monday in November. Assessments are certified to State Treasurer and taxpayers.

RECENT LEGISLATION (cont'd):

R.C. 5727.31: Provides that advance payment reports are to be filed with the State Treasurer instead of the Tax Commissioner.

R.C. 5727.42: Provides that the State Treasurer prepares the tax bills (or certifies refunds) within 20 days of receipt of the excise tax assessments. Due date for bills is at least 20 but not more than 30 days from the date of mailing.

Table 59

PUBLIC UTILITY EXCISE TAXES LEVIED, BY CLASS OF UTILITY, CALENDAR YEARS 1980 - 1984[(a)]

Class of Utility	Tax Rate[(b)]	1980	1981	1982	1983	1984
Electric Light	4.00%	$171,879,305	$240,310,174	$264,699,142	$318,966,244	$319,821,481
Natural Gas	4.00	82,510,453	115,195,054	123,499,041	147,679,937	152,339,047
Telephone	4.00	68,740,014	94,216,113	99,829,278	128,003,482	120,651,494
Railroad	4.50	7,430,346	4,939,312	4,734,481	4,048,759	4,524,366
Rural Electric Light	4.00	6,303,531	9,223,585	10,178,928	11,639,518	11,400,467
Freight Line & Equipment	3.50	2,180,208	2,530,759	2,703,982	2,839,824	3,199,605
Water Works	4.00	832,032	1,147,064	1,250,861	1,666,297	1,644,420
Pipe Line	6.00	426,396	690,362	735,239	969,190	476,487
Telegraph	4.00	90,057	126,334	89,902	48,635	73,483
Union Depot	4.00	51,277	11,275	- -	- -	- -
Water Transportation	4.00	47,694	74,855	104,207	138,290	129,607
Toll Bridge	4.00	24,235	27,805	26,025	29,043	23,444
Heating	4.00	- -	56,274	110,648	138,226	139,689
Total		$340,515,548	$468,548,966	$507,961,734	$616,167,445	$614,423,590

(a) Amount of tax certified for collection.

(b) 1981 rates were 1% higher for all utilities except freight line and equipment companies. 1982 rates were 0.5% higher for all utilities except the rate for freight line and equipment companies which was 0.25% higher. All utilities, except freight line and equipment companies, also subject to a 5.55% surtax in 1982. 1983 rates were 1% higher for all utilities except the rate for freight line and equipment companies which was 0.25% higher. All utilities except freight line and equipment companies, also subject to a 5.55% surtax in 1983. 1984 rates were 0.75% higher for all utilities except the rate for freight line and equipment companies which was 0.25% higher.

PUBLIC UTILITY PROPERTY TAX

Note: The descriptive material below describes the taxes levied on both the real and personal property of public utilities. The data in the tables in this section pertain to only the personal property of utilities. Data for public utility real property are included in the tables in the "Real Property Tax" section.

The assessed valuation of public utility personal property was about $9.9 billion in calendar year 1984, which was an increase of 3.3% over the previous year. Electric utilities accounted for about 53% of the total public utility personal property valuation in 1984, with the telephone industry accounting for an additional 32% of the total valuation.

TAX BASE (R.C. 5715.01, 5727.01, 5727.06, 5727.10, 5727.12):

Property tax base for railroads consists of real and tangible personal property owned or operated in Ohio on December 31 of the preceding year. Property tax base for all other public utilities consists of real and tangible personal property owned and located in Ohio on December 31 of the previous year. The tax commissioner is responsible for valuing and assessing the tangible personal property of all utilities and the real property of railroads. County auditors are responsible for valuing and assessing the real property of all utilities except railroads. Real property includes land and improvements and is assessed at 35% of true value. Personal property base includes all plant and equipment not classified as real property or intangible property. The tangible personal property of public utilities is generally assessed at 100% of true value. The two exceptions to this 100% assessment level are (1) the tangible personal property of rural electric companies which is assessed at 50% of true value; and (2) the tangible personal property of railroads which is assessed at the same percentage as applied to all tangible property (except inventories) used in business by a non-utility (for 1985, this assessment level is 33%).

The Tax Commissioner also values and assesses the intangible personal property of public utilities. However, since public utilities are subject to the intangible property tax in the same manner as all other taxpayers, this section does not consider the intangible property taxes of public utilities. For additional information, see the **INTANGIBLE PROPERTY TAX** section. The tax on intangible property will be repealed January 1, 1986.

APPORTIONMENT OF TAX BASE (R.C. 5727.13, 5727.14, 5727.15, Tax Commissioner Bulletin 130 and Rule 5703-25-01):

Real property values of all utilities except railroads are apportioned to the various taxing districts according to the physical location of the property. Personal property values of all utilities except railroads are apportioned (using a specific base) among the taxing districts in which the utilities operate. The bases for distributing personal property values among taxing districts for the various classes of utilities are shown in the table on the following page.

Railroads are valued on a system wide basis with allocation to Ohio on the basis of the length of road in this state to length of road everywhere. Values for railroad real property used in operation are apportioned on the basis of their relative value. Values for railroad personal property used in operation are apportioned on the basis of miles of track in each taxing district weighted according to traffic density. Values for railroad real and personal property not used in operation are apportioned on the basis of their physical location.

APPORTIONMENT OF TAX BASE (cont'd):

Class of Utility	Distribution Base
Electric Light and Rural Electric Companies	Value of overhead and underground lines.
Artificial Gas, Natural Gas, Pipeline, Heating, Cooling, and Water Works	Value of pipeline.
Telephone and Telegraph Companies	Miles of wire.
Railroads	Miles of track and trackage rights weighted by use.
Express Companies	Gross receipts.

Actual location of property is used to distribute values for water transportation and toll bridge utility classes.

RATES (R.C. 319.30, 319.301, 5705.02-5705.05, 5705.19):

Vary with taxing jurisdiction. Total tax rate includes all levies, enacted by legislative authority or approved by voters, for all taxing jurisdictions within which the property is located or to which it is apportioned (e.g., county, township, municipal corporation, and school district). Although the nominal tax rates applied to public utility real and personal property are the same, the effective rates on the two types of property may differ substantially because of the effects of the tax reduction factor applied to real property taxes. Public utility real property taxes (in addition to other real property taxes) are reduced by a computed reduction factor whenever real property values increase. However, this reduction factor does not apply to taxes levied on public utility personal property. State law also requires that all non-residential real property tax bills (but not personal property tax bills) be reduced by 10% -- with the cost of the reduction reimbursed from state funds.

EXEMPTIONS AND CREDITS (R.C. 319.302, 5701.03, 5709.25, 5727.01, 5727.05, 6111.31):

1. Property of municipally-owned utilities.
2. Certified air, water, and noise pollution control facilities.
3. Licensed motor vehicles.
4. Personal property under construction.
5. Real property tax bills are reduced by 10% as provided by state law.

REPORTING, CERTIFICATION, AND PAYMENT DATES:

Utility Class	Deadline	For
All Public Utilities (R.C. 5727.08, and and 5727.48)	March 1(a)	Company's annual report to Tax Commissioner.
All Utilities (R.C. 5727.10)	First Monday in September	Tax Commissioner assesses property and notifies utilities of assessed values.

REPORTING, CERTIFICATION, AND PAYMENT DATES (cont'd):

Utility Class	Deadline	For
All Public Utilities (R.C. 5727.23)	First Monday in October	Tax Commissioner certifies apportionment of property values to county auditors.
All Public Utilities (R.C. 323.12 & 323.17)	December 31(b)	At least half of total tax liability due.
All Public Utilities (R.C. 323.12 & 323.17)	June 20(b)	Balance of tax liability due.

(a) Tax Commissioner may grant extension of up to 60 days.

(b) These deadlines may be extended by 45 days (longer in certain circumstances)

DISPOSITION OF REVENUE (R.C. 319.54, 5705.10, 5719.05):

After local administrative deductions, revenue is distributed to counties, municipalities, townships, school districts, and special districts according to the taxable values and total millage levied by each.

OHIO REVISED CODE CITATIONS:

Chapters 319, 323, 5705, 5709, 5715, 5719, 5727, 6111.

ADMINISTRATION (R.C. 5713.01, 5727.06):

The Tax Commissioner assesses the real estate of railroads and the tangible personal property of all public utilities. County auditors assess all other public utility real estate.

RECENT SIGNIFICANT COURT DECISIONS:

Condee v. Lindley (1984), 12 Ohio St. 3d 90, July 11, 1984.

The Department of Taxation cannot employ an administrative policy requiring inclusion of 30% of the value of public utility personal property having a fixed location in the pool of property apportioned by formula among the taxing districts, at least in the absence of a formal rule codifying such requirement.

Table 60

ASSESSED VALUE OF PUBLIC UTILITY PERSONAL PROPERTY, BY CLASS OF UTILITY, AND TOTAL TAXES LEVIED ON PERSONAL PROPERTY CALENDAR YEARS 1980 - 1984

	Calendar Year				
Class of Utility	1980	1981	1982	1983	1984
Electric Light	$4,078,967,830	$4,356,319,930	$4,608,926,100	$4,944,835,850	$5,040,669,200
Telephone	2,454,940,170	2,624,029,580	2,844,355,420	2,970,608,010	3,116,232,600
Natural Gas	535,390,470	571,949,600	606,053,490	640,967,450	683,313,600
Railroad	343,639,560	300,962,850	275,672,800	257,505,550	302,052,090
Pipeline	441,959,230	454,532,710	486,380,660	528,836,140	515,074,530
Rural Electric Light	130,334,080	144,199,250	150,193,090	148,024,040	148,213,650
Waterworks	40,854,890	44,056,370	47,638,310	47,473,760	48,741,400
Telegraph	1,686,500	2,000,000	2,886,000	3,131,000	3,223,000
Other (a)	457,150	496,790	1,058,070	1,228,900	1,832,900
Total Valuation	$8,028,229,880	$8,498,547,080	$9,023,163,940	$9,542,610,700	$9,859,352,970
Taxes Levied (All Classes)	$ 385,783,553	$ 420,025,314	$ 454,145,090	$ 486,617,302	$ 504,302,656

(a) Includes Water Transportation, Toll Bridge, and Heating.

SOURCE: Ohio Department of Taxation; values may differ slightly from those reported on abstracts filed by County Auditors with the Ohio Department of Taxation shown on Table 61.

Table 61

ASSESSED VALUE OF PUBLIC UTILITY PERSONAL PROPERTY, AND TAXES CHARGED, BY COUNTY, CALENDAR YEAR 1984

County	Assessed Value Of Public Utility Personal Property	Taxes Charged on Public Utility Tangible Personal Property
Adams	$ 369,069,120	$ 10,071,834
Allen	94,196,240	3,570,136
Ashland	49,040,080	2,341,091
Ashtabula	108,824,410	5,782,679
Athens	65,858,480	3,638,916
Auglaize	24,480,650	945,852
Belmont	104,867,520	4,275,506
Brown	29,340,680	1,247,468
Butler	167,359,010	7,529,269
Carroll	37,739,950	1,629,078
Champaign	22,435,550	1,062,343
Clark	87,959,540	4,396,005
Clermont	181,761,260	9,696,772
Clinton	25,874,340	1,058,969
Columbiana	86,353,780	3,953,929
Coshocton	200,797,130	6,574,561
Crawford	35,028,610	1,784,812
Cuyahoga	999,328,090	76,304,264
Darke	29,169,290	1,095,628
Defiance	40,382,980	1,764,249
Delaware	58,122,000	2,381,961
Erie	77,100,380	4,212,049
Fairfield	72,191,490	4,069,038
Fayette	24,841,660	932,120
Franklin	562,479,980	30,277,968
Fulton	40,049,870	1,967,411
Gallia	271,999,160	8,705,798
Geauga	62,234,770	4,065,145
Greene	90,339,210	4,927,653
Guernsey	42,664,650	1,956,293
Hamilton	684,775,410	39,216,332
Hancock	56,311,550	2,304,249
Hardin	22,897,110	967,788
Harrison	29,636,920	1,268,682
Henry	25,148,140	1,198,697
Highland	21,351,470	879,824
Hocking	37,264,700	1,732,161
Holmes	25,759,790	1,211,147
Huron	37,691,220	1,845,012
Jackson	40,317,280	1,420,858
Jefferson	371,273,430	13,885,073
Knox	43,601,790	2,148,745
Lake	227,165,220	14,389,847
Lawrence	61,316,980	2,210,408
Licking	105,685,040	4,646,283
Logan	$ 30,727,530	$ 1,463,672
Lorain	300,662,930	17,622,118
Lucas	354,010,360	20,578,529
Madison	33,303,840	1,298,097
Mahoning	165,780,050	9,123,164
Marion	50,628,490	2,375,568
Medina	88,850,780	5,529,506
Meigs	49,355,800	1,908,760
Mercer	18,648,260	711,308
Miami	54,827,570	2,789,975
Monroe	29,169,100	1,146,613
Montgomery	401,632,370	25,309,129
Morgan	98,808,450	3,857,870
Morrow	21,946,660	1,033,540
Muskingum	75,379,090	3,512,737
Noble	18,853,010	761,679
Ottawa	276,927,200	10,573,299
Paulding	18,507,260	940,306
Perry	24,394,090	1,156,576
Pickaway	48,634,510	1,999,062
Pike	31,561,510	1,502,008
Portage	93,689,840	5,942,550
Preble	25,768,750	1,117,912
Putnam	23,460,000	960,651
Richland	97,785,610	5,061,569
Ross	44,337,290	2,130,400
Sandusky	54,581,220	2,211,693
Scioto	68,902,910	3,064,403
Seneca	44,428,410	1,876,323
Shelby	34,069,660	1,400,377
Stark	257,766,110	12,589,256
Summit	309,062,270	18,581,135
Trumbull	170,278,220	8,370,115
Tuscarawas	66,860,200	2,960,903
Union	41,727,980	1,720,024
Van Wert	23,859,690	1,074,525
Vinton	19,024,340	670,413
Warren	75,930,260	3,814,059
Washington	94,238,220	3,636,404
Wayne	65,108,350	3,162,598
Williams	34,734,410	1,838,038
Wood	93,808,720	4,617,613
Wyandot	17,610,720	764,280
Total	$9,801,727,970	$504,302,656

SOURCE: Abstracts filed by county auditors with the Ohio Department of Taxation; values differ slightly from those certified by the Department of Taxation shown on Table 60.

REAL PROPERTY TAX

In tax year 1984, the assessed valuation of taxable real estate exceeded $70 billion, an increase of 4.1% over the 1983 valuation. Taxes on these values are distributed to the local taxing authorities during calendar year 1985. Net taxes charged after the application of the percentage reductions required by Section 319.301 of the Ohio Revised Code equalled approximately $3.0 billion for tax year 1984, an increase of 4.9% over 1983. This figure is before deductions of the tax rollback of 10% on all real property, the homestead exemption, and the 2.5% rollback for homeowners only. All three of these property tax reductions are fully reimbursed to local governments from the state general revenue fund. The amount of relief for 1984 was $295.5 million for the 10% reduction, $52.6 million for the homestead exemption, and $42.7 million for the 2.5% reduction.

Under state law and Department of Taxation rules, real property in all counties is now reappraised every six years at 35% of market value, and updated in the third year following each sexennial reappraisal. Sales ratio studies are made by the Department of Taxation twice a year in each county to compare the assessed taxable value to the sales price of properties sold. These ratios are used extensively in checking the reappraisal process.

TAX BASE (R.C. 5713.03, 5715.01):

Taxable value of land and improvements. Taxable value is a percentage of market value except for certain land devoted exclusively to agricultural use. Under the rules adopted under current law, all counties are now reappraised and equalized at 35% of true or market value as of the year of reappraisal or the third calendar year after reappraisal.

RATES (R.C. 319.301, 5705.02, 5705.03, 5705.04, 5705.05, 5705.19):

Vary with taxing jurisdiction. Total tax rate includes all levies, enacted by legislative authority or approved by voters, for all taxing jurisdictions within which the property is located (e.g., county, township, municipality, and school district). The statewide average "gross" millage rate on all real property for 1984 was 57.02 mills, as compared to last year's rate of 56.06 mills. The statewide average "effective" millage rate was 42.12 mills for 1984 as compared to last year's effective rate of 41.79 mills. The difference between the gross millage rate of 57.02 mills and the effective rate of 42.12 mills is explained by Section 319.301 of the Revised Code which prevents increases in voted taxes when the valuation of existing real property is increased due to reappraisal or the triennial update. (See "**Credits**" section.)

The Ohio Constitution prohibits governmental units from levying property taxes which in the aggregate exceed 1% of true value unless they are approved by the voters. This is known in state law as the 10-mill limitation, and the millage within this limitation is commonly referred to as "inside" millage. Since the "inside" 10 mills are levied on "taxable value" which is 35% of true or market value, the effect is a statutory limit of 0.35%, a limit nearly three times as strict as the 1% constitutional limitation.

EXEMPTIONS (R.C. 5709.07 to 5709.18, 5709.25, 5713.23, 5713.31):

The Constitution requires real property (land and improvements) to be taxed by uniform rule according to value. Authorized exemptions implemented by statute include:

1. General: Exemption of the real property of governmental or private institutional organizations on the grounds of ownership and/or usage (e.g., schools, hospitals, churches, municipal corporations, etc.). Many other specific exemptions are provided for by the Revised Code.

EXEMPTIONS (cont'd):

2. Farm Land: Land devoted exclusively to commercial agricultural use may be valued according to current use instead of "highest and best" use. Such land must meet one of the following requirements for three years prior to the year in which application for current use treatment is made:

   a) 30 acres or more -- all must be devoted to agricultural use; or
   b) under 30 acres -- all must be devoted to agricultural use and produce an average yearly gross income of at least $2,500.

   In addition, when the land is converted from agricultural use, a charge is levied on such land in an amount equal to the amount of tax savings on the converted land during the four tax years immediately preceding the year in which the conversion occurs.

3. Forest Land: Forest land, devoted exclusively to forestry or timber growing under the rules of the Ohio Department of Natural Resources, Division of Forestry, may be taxed at 50% of the local rate.

CREDITS (R.C. 319.301, 323.151-323.157):

1. Percentage Rollback: State law grants tax relief in the form of a 10% reduction in each taxpayer's real property tax bill. In addition, a 2.5% rollback of real property taxes is granted on a homestead for each homeowner. The state reimburses local governments for the cost of these tax credits.

2. Tax Reduction Factor: Separate percentage reductions are applied to taxes levied against the two classes of real property (residential/agricultural and non-residential/non-agricultural) being reappraised or updated. These reduction factors remain in effect until there is a new increase in value (excluding new construction). New reduction factors are calculated annually and applied. The computation of these percentage reduction factors is a rather complex process, but it involves two main steps:

   Step One — The Department of Taxation certifies to each county auditor tax reduction factors to be applied to each tax levy for each of the two classes of property. The tax reduction factor is calculated to eliminate the effect of an increase in the valuation of existing real property in a taxing unit (school district, county, municipality, etc.) on voted taxes. If the tax reduction factor results in an "effective" tax rate for current expenses of a school district (including pre-1982 taxes for current expenses of a joint vocational school) of less than 20 mills on all real property in the district, the reduction factor must be adjusted to yield a minimum of 20 effective mills.

   Step Two — The Department of Taxation then calculates a composite tax reduction factor to be applied to individual tax bills in a taxing district for each taxing district in the county. (A taxing district may be generally defined as a geographical area in which the total tax rate is uniform throughout.) To compute the composite tax reduction factor, the Department of Taxation uses the tax reduction factors for each taxing unit (school district, municipality, etc.) in which a taxing district is located and multiplies them by the relative weights of each tax levy effective in the taxing district.

   These factors are applied to real estate and public utility real property. The result of these calculations yields net taxes as shown in the tables in this section.

3. Homestead Exemption: Homestead exemption property tax reductions are granted to qualified low-income homeowners who are either 65 years of age or older or permanently and totally disabled. The reduction is equal to the gross millage rate multiplied by the reduction in taxable value shown in the following schedule:

CREDITS (cont'd):

Total Income of Owner and Spouse:	Reduce Taxable Value by the Lessor of:
$ 5,000 or less	$5,000 or 75% of taxable value
$ 5,000-$10,000	$3,000 or 60% of taxable value
$10,000-$15,000	$1,000 or 25% of taxable value
Over $15,000	- 0 -

Total income for purposes of the homestead exemption is defined as federal adjusted gross income plus social security and railroad retirement benefits, retirement, pension, annuity, or other types of retirement payments or benefits not included in federal adjusted gross income; and interest on federal, state, and local government obligations. Disability benefits paid by the veteran's administration or a branch of the armed forces are excluded from total income, as well as increases in social security benefits effective after December 31, 1975 for those persons receiving the homestead exemption for the first time for tax years 1976 and earlier. For persons receiving the homestead exemption for tax years 1977 and thereafter, increases in social security benefits which occur on or after January 1 of the year for which the homestead exemption is first received are excluded from the definition of total income.

Table 68 shows the number of homestead exemptions granted, the average reduction in real taxable value, and the total reduction in real property taxes for each county for tax year 1984. Totals for the state show that 328,026 exemptions were approved for tax year 1984, the average reduction in taxable value was $2,919, and the total reduction in property taxes was $52,635,805.

Local governments are reimbursed in full for these tax reductions from the state general revenue fund.

Example of Homestead Exemption Computation

The example below illustrates the computation of homestead exemption property tax relief. For this example, we will assume a senior citizen homeowner with the following characteristics:

a) Total income of $6,500 (consisting of $2,000 in wages, $2,500 in social security income, and $2,000 in dividends).
b) A home with a market value of $25,000 and a taxable value of $8,750. Taxable value is 35% of market value — $25,000 x 35% = $8,750.
c) A local property tax rate of 50 mills (gross rate).

Since this homeowner receives $6,500 of total income, he is in the $5,000-$10,000 income bracket and is entitled to a reduction in taxable value of $3,000 or 60%, whichever is less. Sixty percent of $8,750 is $5,250, so his reduction in taxable value is the flat $3,000. His tax savings are equal to the $3,000 reduction in taxable value multiplied by the 50-mill tax rate. This amounts to a tax savings of $150.

Like all other real property taxpayers, the senior citizen homeowner in our example is entitled to a tax reduction factor (see no. 2 above) which is applied against the property tax (assume a 15% reduction for this example). Also, the homeowner is granted a 12.5% tax reduction (12.5% property tax rollback) which is reimbursed to local governments from the state general revenue fund. When these are considered, the computation of net property tax due is shown below.

Property tax before any reductions: $8,750 taxable value x 50 mills =		$437.50
Subtract tax reduction factor ($437.50 x 15%)	-	65.63
Net taxes levied after tax reduction factor		$371.87
Subtract 12.5% rollback (.125 x of $371.87)	-	46.48
Net taxes before homestead		$325.39
Subtract homestead exemption tax relief	-	150.00
Net property tax due		**$175.39**

TAXPAYER:

All real property owners not specifically exempt.

PAYMENT DATES (R.C. 323.12, 323.17):

December 31: Full amount of tax (or one-half of it) is due.

June 20: Balance due.

Extensions are normally granted for 30 days by the county commissioners; further extensions not to exceed 15 days, may be granted by application of the county auditor or treasurer to the Tax Commissioner. Additional extension may be granted for unavoidable delay to avoid penalties to taxpayers.

DISPOSITION OF REVENUE (R.C. 319.54, 5719.05):

After local administrative deductions, revenue is distributed to the counties, municipalities, townships, and school districts according to the taxable values and total millage levied by each.

OHIO REVISED CODE CITATIONS:

Chapters 319, 323, 5701, 5705, 5709, 5713, 5715, 5719, 6111.

RECENT LEGISLATION:

H.B. 95, effective September 25, 1985.

R.C. 511.28, 5705.194, 5705.25: Requires that a resolution to renew an existing levy may not be placed on the ballot unless the question is submitted at an election held during the last year the tax to be renewed may be extended on the real and public utility property tax list and duplicate, or in the preceding year at the general election. This limitation is waived for certain supplemental levies imposed under R.C. 5705.191.

S.B. 121, effective October 17, 1985.

R.C. 323.151: Amends the definition of total income for purposes of the homestead exemption to exclude up to $5,200 in disability benefits, which were included in federal adjusted gross income.

Sections 4, 5, and 7: Taxpayers who overpaid real property taxes between 1975 and 1985 due to the erroneous inclusion of disability benefits in total income on applications for the homestead exemption may request the auditor of the county in which the application was filed to recompute the reduction.

RECENT SIGNIFICANT COURT DECISIONS:

Peoples Faith Chapel v. Limbach (1985), 18 Ohio St. 3d 236.

Religious organization owned a vacant 3.54 acre tract of land on which it intended to build a church school. The church later erected a metal storage building on the land and used it to house church maintenance materials. The Court affirmed the Board of Tax Appeals grant of real property tax exemption and reasoned that although the land was vacant at the time the application was filed, the church anticipated a tax-exempt use, never used the lot in a commercial or non-exempt manner, and had specific plans to use the lot in a tax-exempt manner.

RECENT SIGNIFICANT COURT DECISIONS: (cont'd)

State, ex rel. Britt v. Bd. of Franklin Cty. Commrs., (1985) 18 Ohio St. 3d 1.

A writ of mandamus to compel a board of commissioners to appropriate funds for an increase in county court employees' wages is properly denied when it attempts to raise salaries without using reasonable discretion. In this case, the requested budget increase would represent an average pay raise of 25.3%.

Black v. Board of Revision, (1985) 16 Ohio St. 3d 11.

R.C. 5717.05 does not require a trial "de novo" by courts of common pleas on appeals from decisions of county boards of revision. The court may hear the appeal on the record and evidence thus submitted, or, in its discretion, may consider additional evidence. The court shall independently determine the taxable value of the property valuation or assessment complained of, or, in the event of discriminatory valuation, shall determine a valuation that corrects such discrimination. The judgment of the trial court shall not be disturbed absent a showing of abuse of discretion. The Supreme Court went on to find that real property, whether commercial, residential, or vacant, must be assessed on the basis of the same uniform percentage of actual value.

Coventry Towers, Inc. v. City of Strongsville, et. al., (1985) 18 Ohio St. 3d 120.

The Ohio Supreme Court held that a party to an action may properly submit new evidence, in this case a revised real property valuation analysis, to the Board of Tax Appeals subsequent to a determination made by the County Board of Revision which based its decision on a different analysis, when the information contained in the revised analysis was not available prior to or at the time of the Board of Revision hearing. The Court also determined that the Board of Tax Appeals has the authority to increase the valuation placed upon a parcel of land by the Board of Revision and to consider the matter "de novo" and make its own findings as to the valuation.

Table 62

ASSESSED VALUE OF TAXABLE REAL ESTATE, TAXES CHARGED, AVERAGE TAX RATES, AND TAX RELIEF, CALENDAR YEARS 1980 - 1984

	1980	1981	1982	1983	1984
Value of Taxable Property	$57,103,039,790	$64,183,940,372	$66,977,419,218	$67,598,707,538	$70,384,691,083
Taxes Charged(a)	$ 2,368,922,170	$ 2,578,519,285	$ 2,718,357,724	$ 2,825,250,893	$ 2,964,718,578
Average Effective Tax Rate(b)	41.49 mills	40.17 mills	40.59 mills	41.79 mills	42.12 mills
10% Reduction In All Real Property Taxes	$ 235,445,713	$ 256,572,074	$ 269,441,350	$ 281,758,225	$ 295,516,159
2.5% Reduction In Homeowner's Real Property Taxes	$ 35,097,335	$ 37,339,343	$ 39,323,878	$ 41,561,812	$ 42,695,410
Homestead Exemption Reduction	$ 58,552,163	$ 57,811,442	$ 55,557,310	$ 53,666,017	$ 52,603,883
Net Taxes Collectible (After 12.5% Reduction & Homestead Exemption)	$ 2,039,826,959	$ 2,226,796,426	$ 2,354,035,186	$ 2,448,264,839	$ 2,573,903,126

(a) Net taxes charged after application of percentage reductions required by R.C. 319.301.
(b) Taxes charged divided by value of taxable property.

Table 63

1984 GROSS AND NET TAX RATES ON THE TWO CLASSES OF REAL PROPERTY, BY COUNTY

County	Millage Rates on Real Property			
	Residential & Agricultural		Public Utility, Commercial, Industrial & Mineral	
	Gross Rate(a)	Net Rate(b)	Gross Rate(a)	Net Rate(b)
Adams	30.01	28.41	28.18	26.80
Allen	37.95	31.54	37.64	32.21
Ashland	48.81	34.23	50.19	39.90
Ashtabula	53.64	40.22	54.01	42.22
Athens	60.61	42.84	63.23	47.76
Auglaize	38.95	30.85	38.50	29.80
Belmont	43.61	31.40	42.54	32.57
Brown	43.72	37.90	44.84	36.87
Butler	45.46	33.15	45.00	36.63
Carroll	43.76	30.49	46.26	33.01
Champaign	46.94	34.35	48.83	35.11
Clark	50.76	35.90	49.49	40.30
Clermont	55.24	38.75	55.04	40.44
Clinton	41.53	33.86	42.72	34.40
Columbiana	46.23	34.76	46.80	34.89
Coshocton	40.53	31.37	41.76	33.26
Crawford	50.85	34.68	50.77	35.23
Cuyahoga	79.74	54.49	74.65	62.55
Darke	37.94	30.77	39.98	31.44
Defiance	43.86	35.52	43.08	36.35
Delaware	42.58	35.52	43.89	36.61
Erie	56.20	35.75	55.76	36.70
Fairfield	57.77	36.79	57.66	36.41
Fayette	37.37	29.40	42.26	31.01
Franklin	56.00	43.54	51.87	41.06
Fulton	49.96	38.07	48.95	35.05
Gallia	34.06	29.82	33.41	30.44
Geauga	66.80	46.21	65.66	48.84
Greene	55.50	37.87	55.73	41.21
Guernsey	46.59	38.40	47.79	41.94
Hamilton	61.03	46.57	58.27	51.61
Hancock	42.51	33.39	43.51	35.05
Hardin	43.15	33.01	42.63	31.46
Harrison	43.34	30.53	42.94	31.45
Henry	46.71	40.22	45.69	41.93
Highland	41.45	33.22	41.24	33.35
Hocking	46.57	37.01	46.33	36.00
Holmes	45.22	34.11	47.22	37.15
Huron	49.57	31.85	50.09	38.34
Jackson	36.11	30.89	36.88	32.07
Jefferson	42.07	31.08	40.81	37.43
Knox	49.22	35.76	49.15	38.08
Lake	67.14	41.27	65.42	44.87
Lawrence	36.83	31.45	38.36	32.55

County	Millage Rates On Real Property			
	Residential & Agricultural		Public Utility, Comercial, Industrial & Mineral	
	Gross Rate(a)	Net Rate(b)	Gross Rate(a)	Net Rate(b)
Licking	44.79	33.51	43.40	33.81
Logan	47.45	30.92	49.03	34.09
Lorain	59.13	37.83	58.41	39.31
Lucas	62.04	41.46	59.27	47.11
Madison	40.95	34.36	44.00	36.98
Mahoning	56.04	42.82	57.11	49.64
Marion	46.98	31.03	46.65	33.12
Medina	63.03	39.08	62.86	44.43
Meigs	38.86	36.63	39.03	37.00
Mercer	38.48	33.66	38.35	32.38
Miami	51.28	33.14	52.39	38.87
Monroe	39.71	28.14	38.91	32.88
Montgomery	62.85	44.71	62.06	46.51
Morgan	37.37	29.66	36.89	28.82
Morrow	46.82	36.92	49.23	38.93
Muskingum	47.39	32.65	47.90	34.55
Noble	40.53	36.33	40.96	37.15
Ottawa	51.40	33.43	49.27	33.76
Paulding	51.09	43.11	55.00	44.68
Perry	47.71	37.16	48.71	37.69
Pickaway	41.25	33.83	40.49	33.28
Pike	49.71	34.60	53.37	35.62
Portage	63.92	41.80	66.08	48.39
Preble	42.88	35.89	43.79	33.53
Putnam	40.91	34.33	40.02	33.06
Richland	51.59	39.47	50.36	38.73
Ross	48.39	34.32	47.11	32.09
Sandusky	40.18	31.48	38.78	33.77
Scioto	45.32	34.95	48.42	38.83
Seneca	42.27	31.98	42.20	35.63
Shelby	41.59	33.38	40.73	31.82
Stark	49.43	31.78	48.65	33.50
Summit	61.00	47.86	59.59	44.88
Trumbull	49.86	37.86	47.12	37.98
Tuscarawas	45.08	34.10	45.40	37.90
Union	44.81	32.97	42.66	32.26
Van Wert	45.16	37.52	46.23	38.41
Vinton	35.86	35.03	35.68	34.98
Warren	50.37	33.60	49.37	34.71
Washington	40.99	33.10	40.31	34.26
Wayne	48.81	33.82	49.91	35.97
Williams	52.07	33.80	50.03	36.63
Wood	50.37	36.68	49.84	40.34
Wyandot	43.38	30.92	44.17	32.28
State Average:	57.04	41.00	56.95	45.28

(a) Rate on property prior to application of "Tax Reduction Factors"

(b) Represents rate after application of "Tax Reduction Factors". These rates were computed prior to deduction of the 10% property tax rollback for all real property, 2.5% rollback for residential real property and homestead exemption.

SOURCE: Abstracts filed by county auditors with the Department of Taxation.

Table 64

TOTAL REAL PROPERTY TAXES, VALUES, AND EFFECTIVE TAX RATES, BY COUNTY, CALENDAR YEAR 1984

Counties	Gross Taxes Levied	Taxes Charged[(a)]	Taxable Value	Special Assess-ments	Delin-quent Taxes	Effec-tive Tax Rate[(b)]
Adams	$ 4,010,899	$ 3,803,658	$ 137,014,090	$ 9,819	$ 372,158	27.76
Allen	23,729,335	19,866,767	626,573,060	917,498	1,400,261	31.71
Ashland	14,385,547	10,344,926	293,164,270	43,020	1,011,652	35.29
Ashtabula	32,147,723	24,347,230	598,367,230	665,911	2,201,038	40.69
Athens	13,815,625	9,931,224	225,617,440	561,080	822,124	44.02
Auglaize	11,150,821	8,794,998	286,923,590	254,017	421,100	30.65
Belmont	17,724,455	12,961,018	408,949,930	35,285	1,123,023	31.69
Brown	6,721,816	5,788,723	153,267,540	1,980	755,889	37.77
Butler	83,424,977	62,590,040	1,839,770,950	1,869,227	4,517,593	34.02
Carroll	7,632,562	5,335,122	173,128,520	46,097	789,668	30.82
Champaign	10,087,628	7,362,701	213,716,300	35,217	672,746	34.45
Clark	37,786,415	27,549,496	748,330,650	265,540	2,026,874	36.81
Clermont	47,033,185	33,329,748	852,119,330	432,297	3,075,848	39.11
Clinton	10,050,895	8,176,148	240,779,470	118,676	534,270	33.96
Columbiana	24,295,636	18,240,685	524,473,480	215,305	2,433,925	34.78
Coshocton	9,303,596	7,255,391	227,818,700	22,821	509,952	31.85
Crawford	15,726,335	10,764,087	309,375,405	101,049	1,008,605	34.79
Cuyahoga	793,130,598	578,749,481	10,149,640,170	16,675,743	40,722,703	57.02
Darke	13,577,964	10,968,032	355,505,340	350,339	737,531	30.85
Defiance	11,729,405	9,581,166	268,417,430	249,885	461,873	35.70
Delaware	20,802,207	17,354,334	486,209,230	137,366	1,244,278	35.69
Erie	31,804,487	20,419,805	567,125,320	1,074,348	964,517	36.01
Fairfield	35,955,161	22,867,878	622,573,880	140,112	1,112,613	36.73
Fayette	7,167,542	5,576,050	188,134,700	215,040	266,893	29.64
Franklin	348,355,488	272,611,922	6,395,973,230	1,429,779	15,689,944	42.62
Fulton	13,724,492	10,336,661	275,772,580	369,231	410,911	37.48
Gallia	5,551,143	4,926,432	164,052,580	0	363,425	30.03
Geauga	45,298,856	31,603,438	679,482,290	442,128	2,415,006	46.51
Greene	48,164,408	33,259,673	867,369,100	1,593,328	2,178,437	38.35
Guernsey	9,371,776	7,865,614	199,731,150	71,588	932,526	39.38
Hamilton	350,083,995	280,458,928	5,820,696,268	2,089,261	13,237,720	48.18
Hancock	22,180,255	17,530,700	518,811,140	210,358	551,843	33.79
Hardin	8,719,405	6,638,948	202,415,420	235,332	554,709	32.80
Harrison	4,515,195	3,209,165	104,391,580	5,629	419,969	30.74
Henry	9,531,122	8,281,928	204,682,390	404,262	229,724	40.46
Highland	7,913,457	6,349,253	191,053,820	43,633	572,328	33.23
Hocking	5,736,033	4,542,083	123,270,740	27,400	264,323	36.85
Holmes	8,318,771	6,318,332	182,726,640	17,000	759,032	34.58
Huron	17,032,858	11,358,101	342,888,080	250,546	649,154	33.12
Jackson	5,124,833	4,397,561	141,373,420	0	532,965	31.11
Jefferson	17,014,367	13,453,751	408,060,150	167,400	1,989,592	32.97
Knox	16,657,694	12,230,212	338,494,710	1,215,305	1,314,225	36.13
Lake	115,404,846	72,884,328	1,729,632,170	4,467,617	5,626,744	42.14
Lawrence	8,929,194	7,618,102	240,982,520	213,049	1,276,228	31.61
Licking	35,164,394	26,536,799	790,327,450	225,499	1,968,159	33.58
Logan	$ 13,443,206	$ 8,857,088	$ 281,848,090	$ 198,351	$ 743,127	31.43
Lorain	106,476,369	68,973,479	1,806,019,130	1,846,722	7,292,990	38.19
Lucas	176,633,200	124,533,731	2,885,872,660	19,846,815	11,368,029	43.15
Madison	9,707,485	8,146,888	234,705,990	183,568	577,957	34.71
Mahoning	85,933,099	67,722,143	1,526,867,500	480,300	12,603,899	44.35
Marion	20,602,984	13,833,296	439,210,220	401,724	1,182,864	31.50
Medina	60,193,597	38,172,135	955,413,710	1,879,001	3,233,974	39.95
Meigs	4,131,085	3,900,897	106,167,950	0	612,116	36.74
Mercer	10,839,160	9,423,811	281,844,150	275,236	336,518	33.44
Miami	31,035,494	20,589,575	602,887,640	284,308	1,051,635	34.15
Monroe	3,680,214	2,778,025	93,327,580	4,438	597,691	29.77
Montgomery	244,407,763	176,657,957	3,903,646,600	5,712,125	12,806,864	45.25
Morgan	2,941,849	2,328,879	78,902,560	0	145,149	29.52
Morrow	7,825,185	6,173,176	166,358,290	12,739	1,045,160	37.11
Muskingum	18,830,668	13,123,818	396,312,070	443,618	1,594,731	33.11
Noble	2,803,115	2,518,023	69,036,540	10,671	211,326	36.47
Ottawa	16,495,390	10,841,911	323,690,240	216,864	1,025,763	33.49
Paulding	7,016,030	5,892,966	136,097,480	136,132	270,019	43.30
Perry	6,446,910	5,015,303	134,613,180	17,879	593,413	37.26
Pickaway	10,785,394	8,847,777	262,352,580	66,726	961,524	33.72
Pike	4,927,933	3,410,423	98,176,320	4,655	612,384	34.74
Portage	50,215,310	33,652,980	780,255,940	1,174,679	3,894,473	43.13
Preble	10,866,021	9,010,839	252,846,260	364,821	886,710	35.64
Putnam	8,969,396	7,513,674	219,751,500	110,714	203,242	34.19
Richland	41,396,534	31,715,562	807,792,330	618,628	3,195,845	39.26
Ross	18,636,232	13,098,487	387,518,280	30,710	1,202,868	33.80
Sandusky	14,794,689	11,838,577	370,774,720	401,896	822,624	31.93
Scioto	14,484,864	11,277,293	314,690,060	37,386	858,320	35.84
Seneca	15,337,045	11,848,573	362,927,050	272,957	483,657	32.65
Shelby	11,751,234	9,376,434	283,818,000	346,050	352,330	33.04
Stark	121,049,607	79,168,610	2,458,293,970	833,700	6,384,620	32.20
Summit	218,318,366	169,447,957	3,601,760,840	10,827,125	14,215,299	47.05
Trumbull	72,838,762	56,144,794	1,481,629,310	664,288	7,041,780	37.89
Tuscarawas	20,991,843	16,290,752	464,868,180	23,389	1,015,036	35.04
Union	10,888,765	8,053,235	245,302,540	64,838	689,285	32.83
Van Wert	9,326,556	7,748,318	205,707,620	121,231	293,209	37.67
Vinton	1,700,098	1,662,197	47,460,320	0	129,064	35.02
Warren	31,751,560	21,397,378	632,776,620	928,011	1,833,805	33.82
Washington	14,367,234	11,752,765	351,963,530	32,505	729,469	33.39
Wayne	36,440,351	25,459,656	743,114,580	268,239	1,389,538	34.26
Williams	11,873,262	7,883,327	229,687,330	404,174	284,777	34.32
Wood	39,286,631	29,369,825	781,887,240	2,459,491	1,383,721	37.56
Wyandot	6,843,090	4,895,403	157,330,930	67,035	187,720	31.12
Total	$4,013,270,976	$2,964,718,576	$70,384,691,083	$89,989,756	$227,468,623	42.12

(a) Represents taxes charged after "tax reduction factors" are applied. The 10% rollback for all real property, 2.5% rollback for residential real property, and homestead exemption reduction have not been subtracted from this figure because they are fully reimbursed to the local governments and school districts from the State General Revenue Fund.

(b) Rate shown in mills equals taxes charged divided by taxable value.

Source: Abstracts filed by county auditors with Department of Taxation.

Table 65

TAXES LEVIED ON REAL PROPERTY AND PROPERTY TAX RELIEF, CALENDAR YEAR 1983[a], BY COUNTY

County	Taxes Charged[b]	10% Reduction	2.5% Reduction in Real Property Taxes of Homeowners[c]	Homestead Exemption Reduction	Net Taxes Collectible
Adams	$ 3,787,217	$ 378,515	$ 19,096	$ 104,773	$ 3,284,833
Allen	19,259,206	1,926,572	234,091	314,089	16,784,454
Ashland	10,152,945	1,013,646	120,695	250,551	8,768,053
Ashtabula	23,290,248	2,322,011	327,050	726,848	19,914,339
Athens	8,393,155	839,215	93,242	316,615	7,144,083
Auglaize	8,770,023	876,856	98,567	147,059	7,647,541
Belmont	12,846,571	1,282,319	177,527	529,130	10,857,595
Brown	5,396,384	541,441	44,066	188,429	4,622,448
Butler	56,888,546	5,672,392	946,135	830,548	49,439,471
Carroll	5,149,633	501,282	57,709	143,389	4,447,253
Champaign	6,547,553	635,813	30,997	139,294	5,741,449
Clark	25,245,476	2,516,700	352,125	632,719	21,743,932
Clermont	30,321,764	3,032,767	372,345	495,587	26,421,065
Clinton	8,303,825	826,147	82,867	189,982	7,204,829
Columbiana	17,895,752	1,789,651	257,573	673,000	15,175,528
Coshocton	7,194,268	715,518	89,681	139,138	6,249,931
Crawford	10,714,443	1,069,338	190,856	192,083	9,262,166
Cuyahoga	559,808,833	55,383,879	8,975,009	11,166,484	484,283,461
Darke	11,156,902	1,115,949	131,539	249,750	9,659,664
Defiance	9,020,619	901,175	114,267	166,257	7,838,920
Delaware	16,040,866	1,604,239	200,364	140,777	14,095,486
Erie	19,882,032	1,980,279	310,077	427,431	17,164,245
Fairfield	20,697,156	2,065,991	296,468	540,351	17,794,346
Fayette	5,605,475	560,280	46,774	129,963	4,868,458
Franklin	256,364,782	25,480,564	3,922,068	2,766,229	224,195,921
Fulton	9,842,852	984,655	119,710	161,395	8,577,092
Gallia	4,789,557	477,613	88,566	89,380	4,133,998
Geauga	30,045,035	3,000,464	487,039	267,578	26,289,954
Greene	31,822,676	3,185,511	501,556	349,651	27,785,958
Guernsey	7,327,607	732,270	83,677	296,938	6,214,722
Hamilton	259,912,910	25,918,804	4,065,930	4,336,437	225,591,739
Hancock	16,607,480	1,660,968	158,389	209,668	14,578,455
Hardin	6,402,684	638,962	63,914	129,607	5,570,201
Harrison	3,030,567	300,830	31,654	100,167	2,597,916
Henry	8,026,445	803,363	81,991	133,952	7,007,139
Highland	6,402,083	640,165	44,485	223,495	5,493,938
Hocking	4,327,084	430,550	63,251	137,538	3,695,745
Holmes	6,261,017	626,376	53,350	53,148	5,528,143
Huron	10,942,289	1,093,813	127,175	257,106	9,464,195
Jackson	4,317,494	431,771	65,314	214,995	3,605,414
Jefferson	13,563,383	1,345,260	168,211	434,899	11,615,013
Knox	11,147,056	1,114,278	129,432	245,077	9,658,269
Lake	66,824,729	6,663,702	1,178,694	933,080	58,049,253
Lawrence	7,395,656	749,276	251,245	253,999	6,141,136
Licking	25,192,349	2,518,819	350,975	509,702	21,812,853
Logan	9,117,937	891,563	99,373	246,957	7,880,044
Lorain	69,397,328	6,899,180	1,146,565	1,681,583	59,670,000
Lucas	118,936,965	11,841,416	1,818,166	2,548,051	102,729,332
Madison	7,843,682	782,018	60,864	116,463	6,884,337
Mahoning	63,327,088	6,302,061	1,388,351	1,383,798	54,252,878
Marion	13,558,318	1,370,518	182,885	292,688	11,712,227
Medina	38,899,163	3,869,494	629,182	394,033	34,006,454
Meigs	3,758,048	379,258	33,697	152,070	3,193,023
Mercer	9,142,293	914,199	94,755	140,128	7,993,211
Miami	20,132,539	2,006,693	321,070	473,829	17,330,947
Monroe	2,828,387	276,759	33,709	88,774	2,429,145

Table 65 (cont'd)

County	Taxes Charged(b)	10% Reduction	2.5% Reduction in Real Property Taxes of Homeowners(c)	Homestead Exemption Reduction	Net Taxes Collectible
Montgomery	$ 161,019,709	$ 16,072,528	$ 2,286,339	$ 2,078,899	$ 140,581,943
Morgan	2,235,005	223,488	17,418	51,692	1,942,407
Morrow	5,936,581	593,078	69,582	135,148	5,138,773
Muskingum	12,717,395	1,271,456	165,122	463,268	10,817,549
Noble	1,956,863	195,694	15,168	66,539	1,679,462
Ottawa	10,701,531	1,069,432	99,882	220,238	9,311,979
Paulding	5,510,987	551,037	57,022	83,923	4,819,005
Perry	4,743,058	473,522	65,715	250,909	3,952,912
Pickaway	8,968,219	896,208	93,382	138,853	7,839,776
Pike	3,491,260	348,886	45,038	200,098	2,897,238
Portage	32,619,506	3,250,835	245,475	548,845	28,574,351
Preble	9,239,184	920,541	108,405	178,566	8,031,672
Putnam	7,557,178	748,242	99,178	105,372	6,604,386
Richland	30,943,666	3,082,278	417,965	664,678	26,778,745
Ross	13,032,704	1,279,380	126,197	354,024	11,273,103
Sandusky	12,244,589	1,217,639	168,245	271,948	10,586,757
Scioto	11,204,917	1,121,234	150,626	637,250	9,295,807
Seneca	11,713,208	1,171,955	161,163	227,017	10,153,073
Shelby	9,318,559	931,801	87,662	145,921	8,153,175
Stark	80,370,445	8,021,953	1,150,230	1,749,411	69,448,851
Summit	153,927,861	15,600,493	2,145,459	2,982,457	133,199,452
Trumbull	54,866,230	5,483,282	754,854	1,142,328	47,485,766
Tuscarawas	15,818,164	1,581,345	224,933	571,870	13,440,016
Union	8,172,286	802,477	82,529	123,726	7,163,554
Van Wert	7,714,127	770,950	85,289	164,967	6,692,921
Vinton	1,625,370	162,518	13,824	78,245	1,370,783
Warren	21,836,347	2,188,167	337,676	331,451	18,979,053
Washington	11,629,928	1,143,002	143,489	291,539	10,051,898
Wayne	23,154,583	2,628,908	299,447	333,015	19,893,213
Williams	7,818,679	781,438	104,115	193,410	6,739,716
Wood	28,295,274	2,815,211	282,342	340,146	24,857,575
Wyandot	5,011,101	476,106	43,676	83,599	4,407,720
Total	$2,825,250,889	$281,758,232	$41,561,810	$53,666,014	$2,448,264,833

(a) Taxes levied in calendar year 1983 and collected in calendar year 1984.
(b) Represents taxes charged after "tax reduction factors" are applied.
(c) Reduction is applied to residential and farm real property not exceeding one acre.

SOURCE: Auditor of State.

TABLE 66

ASSESSED VALUATION OF EXEMPT REAL PROPERTY IN OHIO, BY SELECTED OWNERSHIP CLASSIFICATIONS, CALENDAR YEARS 1980 - 1984

(amounts given in millions of dollars)

	1980	1981	1982	1983	1984
Property under Public Ownership:					
Boards of Education	$2,052.4	$2,279.7	$2,413.4	$2,461.4	$2,574.4
Municipalities	1,356.9	1,523.4	1,641.3	1,833.2	1,940.1
United States	794.1	869.2	900.7	903.9	930.7
State	1,078.0	1,233.9	1,291.1	1,382.2	1,385.2
Counties	574.2	675.0	749.8	746.7	820.9
Park Districts	185.6	193.2	206.9	206.7	214.4
Townships	101.8	113.4	122.7	144.1	141.3
Total	$6,143.0	$6,887.8	$7,325.9	$7,678.2	$8,007.0
Property under Private Ownership:					
Churches	$1,216.9	$1,353.4	$1,445.6	$1,499.2	$1,565.8
Charities	864.5	934.3	1,045.5	1,156.3	1,260.4
Schools and Colleges	571.3	613.2	646.2	684.4	774.0
Cemeteries	96.4	111.0	119.9	122.9	126.0
Tax Abatements[a]	94.2	158.0	395.5	429.0	406.8
Total	$2,843.3	$3,169.9	$3,652.7	$3,891.8	$4,133.0
Grand Total -- Property under Public and Private Ownership	$8,986.6[b]	$10,057.7	$10,978.6	$11,570.0	$12,140.0

(a) Tax Year 1980 is the first year that data on tax abatements was compiled separately.

(b) Individual totals do not add up to Grand Total because $300,000 of exempt property in Wood County was not classified.

Table 67

ASSESSED VALUE OF EXEMPT REAL PROPERTY COMPARED TO POTENTIAL TAX BASE, BY COUNTY, CALENDAR YEAR 1984

County	Assessed Value of Taxable & Exempt Real & Utility Property (Potential Tax Base)(a)	Assessed Value of Exempt Real Property	Percent of Potential Property Tax Base Exempt from Taxation	County	Assessed Value of Taxable & Exempt Real & Public Utility Property (Potential Tax Base)	Assessed Value of Exempt Real Property	Percent of Potential Property Tax Base Exempt from Taxation
Adams	$ 150,656,450	$ 13,642,360	9.06%	Logan	$ 310,807,890	$ 28,959,800	9.32%
Allen	714,733,960	88,160,900	12.33	Lorain	2,114,994,700	308,975,570	14.61
Ashland	346,551,480	353,387,210	15.41	Lucas	3,392,159,110	506,286,450	14.93
Ashtabula	691,417,630	93,050,400	13.46	Madison	268,384,110	33,678,120	12.55
Athens	352,389,930	126,772,490	35.98	Mahoning	1,735,373,400	208,505,900	12.02
Auglaize	318,504,960	31,581,370	9.92	Marion	495,193,650	55,983,430	11.31
Belmont	466,805,830	57,855,900	12.39	Medina	1,047,849,320	92,435,610	8.82
Brown	177,118,520	23,850,980	13.47	Meigs	115,355,940	9,187,990	7.96
Butler	2,217,243,350	377,472,400	17.02	Mercer	308,120,370	26,276,220	8.53
Carroll	183,958,640	10,830,120	5.89	Miami	681,939,490	79,051,850	11.59
Champaign	231,405,770	17,689,470	7.64	Monroe	102,216,160	8,888,580	8.70
Clark	917,660,250	169,329,600	18.45	Montgomery	4,720,907,390	817,260,790	17.31
Clermont	955,103,280	102,983,950	10.78	Morgan	87,897,890	8,995,330	10.23
Clinton	281,602,070	40,822,600	14.50	Morrow	178,811,980	12,453,690	6.96
Columbiana	578,083,360	53,609,880	9.27	Muskingum	478,995,210	82,683,140	17.26
Coshocton	249,865,660	22,046,960	8.82	Noble	77,688,780	8,652,240	11.14
Crawford	407,347,465	97,972,060	24.05	Ottawa	365,289,880	41,599,640	11.39
Cuyahoga	12,065,896,139	1,916,255,969	15.88	Paulding	147,418,170	11,320,690	7.68
Darke	388,213,680	32,708,340	8.43	Perry	151,516,490	16,903,310	11.16
Defiance	297,616,760	29,199,330	9.81	Pickaway	308,138,080	45,785,500	14.86
Delaware	575,634,420	89,425,190	15.54	Pike	227,688,710	129,512,390	56.88
Erie	623,376,270	56,250,950	9.02	Portage	984,935,910	204,679,970	20.78
Fairfield	686,241,960	63,668,080	9.28	Preble	271,687,190	18,840,930	6.93
Fayette	204,399,200	16,264,500	7.96	Putnam	242,586,730	22,835,230	9.41
Franklin	7,893,564,190	1,497,590,960	18.97	Richland	929,630,060	121,837,730	13.11
Fulton	311,895,840	36,123,260	11.58	Ross	463,950,270	76,431,990	16.47
Gallia	208,681,130	44,628,550	21.39	Sandusky	409,557,310	38,782,590	9.47
Geauga	730,006,060	50,523,770	6.92	Scioto	393,630,470	78,940,410	20.05
Greene	1,168,435,420	301,066,320	25.77	Seneca	419,914,950	56,987,900	13.57
Guernsey	248,435,310	48,704,160	19.60	Shelby	313,508,250	29,690,250	9.47
Hamilton	6,728,859,518	908,163,250	13.50	Stark	2,849,312,750	391,018,780	13.72
Hancock	573,329,400	54,518,260	9.51	Summit	4,307,500,200	705,739,360	16.38
Hardin	230,991,100	28,575,680	12.37	Trumbull	1,674,257,610	192,628,300	11.51
Harrison	115,351,020	10,959,440	9.50	Tuscarawas	514,686,660	49,818,480	9.68
Henry	225,961,040	21,278,650	9.42	Union	294,870,570	49,568,030	16.81
Highland	212,542,280	21,488,460	10.11	Van Wert	231,927,160	26,219,540	11.31
Hocking	139,728,830	16,458,090	11.78	Vinton	53,490,870	6,030,550	11.27
Holmes	195,680,960	12,954,320	6.62	Warren	708,275,220	75,498,600	10.66
Huron	378,159,150	35,271,070	9.33	Washington	425,091,480	73,127,950	17.20
Jackson	156,338,810	14,965,390	9.57	Wayne	847,882,890	104,768,310	12.36
Jefferson	468,454,910	60,394,760	12.89	Williams	249,922,100	20,234,770	8.10
Knox	383,270,280	44,775,570	11.68	Wood	916,544,780	134,657,540	14.69
Lake	1,885,209,490	155,577,320	8.25	Wyandot	220,621,930	63,291,000	28.69
Lawrence	270,935,100	29,952,580	11.06				
Licking	876,589,310	86,261,860	9.84	Grand Total	$82,524,778,262	$12,140,087,179	14.71%

(a) Values in this column include only real property. In prior years this column included public utility tangible personal property value, but they were excluded to provide a consistent base to compare with the exempt values.

SOURCE: Abstracts filed by County Auditors with the Ohio Department of Taxation.

Table 68

NUMBER OF HOMESTEAD EXEMPTIONS GRANTED, AVERAGE REDUCTION IN TAXABLE VALUE, AND TOTAL AMOUNT OF REDUCTION IN TAXES, BY COUNTY, TAX YEAR 1984

County	Number of Homestead Exemptions Granted	Average Reduction in Taxable Value	Total Reduction in Real Property Taxes
Adams	1,148	$2,828	$ 104,625
Allen	3,135	2,565	310,919
Ashland	1,593	3,073	239,212
Ashtabula	4,288	3,020	697,103
Athens	2,111	2,949	357,678
Auglaize	1,333	2,547	131,626
Belmont	3,835	3,059	505,338
Brown	1,497	2,887	191,765
Butler	6,343	3,031	838,557
Carroll	1,070	2,957	140,274
Champaign	1,074	2,929	147,532
Clark	4,479	2,948	625,999
Clermont	3,021	3,191	515,651
Clinton	1,219	3,150	173,694
Columbiana	4,928	2,909	649,706
Coshocton	1,046	2,641	125,904
Crawford	2,089	2,818	294,438
Cuyahoga	50,167	2,795	10,739,993
Darke	2,049	2,911	234,848
Defiance	1,216	3,021	161,040
Delaware	1,147	2,835	140,574
Erie	2,507	3,036	413,811
Fairfield*	3,221	3,079	548,030
Fayette	1,004	3,067	123,848
Franklin	16,499	3,074	2,613,867
Fulton	1,114	2,624	147,782
Gallia	1,258	3,046	132,759
Geauga	1,406	2,909	260,066
Greene	2,390	2,950	376,861
Guernsey	2,230	2,883	306,426
Hamilton	21,817	3,124	4,068,062
Hancock	1,510	3,005	199,709
Hardin	1,084	2,832	131,057
Harrison	814	2,801	97,739
Henry	932	2,725	122,039
Highland	1,709	2,953	208,742
Hocking	1,146	2,682	140,891
Holmes	516	2,792	63,876
Huron	2,102	2,453	252,331
Jackson*	1,922	3,044	215,103
Jefferson	3,681	2,690	409,351
Knox	1,663	2,888	237,307
Lake	4,961	2,869	956,096
Lawrence	3,555	2,957	393,428
Licking	3,622	3,139	485,223
Logan	1,726	$2,877	$ 231,219
Lorain	9,314	3,111	1,667,127
Lucas	14,456	2,938	2,445,785
Madison	887	3,057	114,809
Mahoning	11,007	3,018	1,809,363
Marion	1,733	2,857	229,387
Medina	2,051	3,057	378,263
Meigs	1,412	2,591	144,401
Mercer	1,083	3,151	131,778
Miami	3,062	2,912	455,713
Monroe	740	2,851	85,658
Montgomery*	12,297	2,534	2,055,171
Morgan	530	2,473	49,082
Morrow	930	2,967	132,851
Muskingum	3,478	2,859	446,072
Noble	639	2,809	74,164
Ottawa	1,370	2,955	208,603
Paulding	548	1,769	70,028
Perry*	1,639	2,992	246,094
Pickaway	1,088	2,971	132,108
Pike	1,261	2,996	195,232
Portage	2,856	2,975	522,706
Preble	1,329	3,004	176,103
Putnam	943	2,414	95,808
Richland	4,152	2,910	621,727
Ross	2,539	2,942	350,440
Sandusky*	2,030	2,923	246,483
Scioto*	4,599	2,965	612,143
Seneca	1,763	2,935	215,523
Shelby	1,161	2,654	133,802
Stark	11,796	2,915	1,644,119
Summit	16,514	3,067	2,983,710
Trumbull	7,773	2,930	1,105,315
Tuscarawas	4,122	3,038	559,089
Union	863	3,008	119,911
Van Wert	1,146	2,881	153,098
Vinton*	760	2,805	74,762
Warren*	2,112	2,795	321,562
Washington	2,393	2,809	277,128
Wayne	2,225	2,793	316,573
Williams	1,335	2,611	179,026
Wood	2,203	2,853	310,798
Wyandot	710	2,535	82,191
Total	328,026	$2,919	$52,635,805

* Data for number of exemptions and average reduction in taxable value are estimated for these counties.

SALES AND USE TAX

The Ohio sales and use tax went into effect in January 1936. The sales tax rate was 3% until 1967 when a 4% rate was adopted. After imposing a temporary 5% sales tax during the period of January through June 1981, a permanent 5% rate was adopted in November 1981. The sales and use tax originally was restricted to the sale or rental of tangible personal property, but has been extended to some services including costs of repairs and installation, and automatic data processing and computer services provided to business.

In 1967, the Ohio General Assembly authorized counties to levy a tax of 0.5% in addition to the state sales and use tax for the purpose of providing additional county general revenue. The tax is levied pursuant to a resolution of the county commissioners and is subject to repeal by majority vote of the county electorate. In January 1982, counties were given the option of levying a full 1% permissive tax. As of June 30, 1985, nineteen counties levied a tax of 1% and forty-eight counties levied a 0.5% tax. The state collects the combined state and local tax and returns the local share directly to the counties. In fiscal year 1985, the state returned $204.9 million to county governments. The same exemptions and exceptions, credits, and payment dates apply to the county tax as to the state tax.

In 1974, the Ohio General Assembly authorized transit authorities to levy a tax to be collected in addition to the state sales and use tax and county permissive tax for the purpose of providing revenues for public mass transit systems. The tax is levied pursuant to a resolution of the transit authority and subsequent approval by a majority of the voters at a special or general election. The tax can be levied at a rate of 0.5%, 1%, or 1.5%. As of June 30, 1985 the Greater Cleveland Regional Transit Authority levied a 1% tax and two additional transit authorities levied a 0.5% permissive sales tax. In fiscal year 1984, the state returned $118.2 million to the three transit authorities. The same exemptions and exceptions, credits, and payment dates apply to the regional transit authority tax as to the state tax.

The sales and use tax was the largest revenue producer for the state until fiscal year 1984 when the personal income tax surpassed it. However, the sales and use tax still amounted to over $2.55 billion in fiscal year 1985, an increase of 10.6% over fiscal year 1984.

TAX BASE (R.C. 5739.01, 5741.01):

The state, county, and transit authority sales and use taxes apply to all retail sales of tangible personal property that are not specifically exempt. Retail sales also include the rental of tangible personal property, the rental of hotel rooms by transient guests, and the sales of specified services.

The county and transit authority use taxes apply to purchases made outside of the state and to purchases made from vendors located in an area which does not have the permissive sales and use tax when the property or service is used in an area that levies a permissive sales and use tax.

RATES (R.C. 5739.02, 5739.021, 5739.023, 5739.025, 5741.02, 5741.021, 5741.022):

The state sales and use tax rate is 5%. Counties are authorized to levy an additional permissive tax at a rate of 0.5% or 1%. Transit Authorities (TA) are authorized to levy an additional permissive tax at a rate of 0.5%, 1% or 1.5%. The applicable sales tax rate for all taxable sales except computer services is the location of the vendor. The applicable sales or use tax rate for computer services is the location of the purchaser. The applicable use tax rate is the location of the purchaser. Following are the number of jurisdictions at each tax rate as of June 30, 1985.

State Rate	Local Rate	Total Rate	Number of Jurisdictions
5.0%	—	5.0%	20 counties
5.0%	0.5%	5.5%	48 counties, 1 TA
5.0%	1.0%	6.0%	19 counties (including 1 TA)
5.0%	1.5%	6.5%	1 county (including 1 TA)

A bracket system is specified in Section 5739.025 of the Revised Code for each of the above rates.

EXEMPTIONS AND EXCEPTIONS (R.C. 5709.25, 5709.50, 5739.01, 5739.02, 5741.02):

1. Copyrighted motion picture films unless solely used for advertising;
2. Service transactions in which tangible personal property is an inconsequential element for which no separate charge is made except for the following:
   - Repair labor costs
   - Installation labor costs
   - Washing, cleaning, waxing, polishing, and painting of a motor vehicle
   - Cleaning and supplying of industrial towels, linens, and work clothing
   - Automatic data processing and computer services used in business;
3. The value of motor vehicles traded-in on new motor vehicles sold by licensed motor vehicle dealers;
4. Tangible personal property to be resold in the form received;
5. The refundable deposit paid on returnable beverage containers, cartons, and cases;
6. Tangible personal property used or consumed in commercial fishing;
7. Direct use exceptions —
   a) Material incorporated as a part of tangible personal property produced for sale by manufacturing, assembling, processing, or refining;
   b) Material used or consumed directly in the production of tangible personal property by manufacturing, processing, refining, mining, farming, agriculture, horticulture, floriculture, or used in the production of and exploration for crude oil and natural gas;
   c) Tangible personal property used directly in rendering a public utility service;
   d) Tangible personal property used or consumed directly in the transformation or conversion of raw coal into coke;
   e) Tangible personal property used or consumed in the preparation for sale of graphic material and of magazines distributed as controlled circulation publications;
   f) Tangible personal property used directly in making retail sales.
8. Tangible personal property used or consumed in the process of reclamation of strip-mined land;
9. Sales to U.S. Government agencies;
10. Sales to the state or any of its political subdivisions;
11. Food for human consumption off the premises where sold;
12. Food sold to students in a dormitory, cafeteria, fraternity, or sorority;
13. Food served without charge to employees as a part of their compensation;
14. Newspapers;
15. Magazine subscriptions sent by 2nd class mail or distributed as controlled circulation material;
16. Motor vehicle fuel subject to the state motor fuel tax;
17. Gas, water, steam, and electricity delivered through pipes, conduits, or wires;
18. Communication services by telephone and telegraph companies (including cable television);
19. Casual sales except for motor vehicles and house trailers, watercraft, outboard motors, snowmobiles, and all purpose vehicles;

EXEMPTIONS AND EXCEPTIONS (R.C. 5709.25, 5709.50, 5739.02, 5741.02) con't:

20. Sales by churches and non-profit charitable organizations (excluding motor vehicles and house trailers) provided that the number of sales does not exceed six days each year and no more one day in any calendar month;
21. Transportation of persons or property;
22. Sales to churches and nonprofit organizations operated exclusively for charitable purposes;
23. Building and construction material sold to contractors for incorporation into real property of the federal, state, or local governments, or of religious and non-profit charitable institutions;
24. Ships used in interstate or foreign commerce and material used for repair, alteration, or propelling such vessels;
25. Material, machinery, equipment, and other items used in packaging property to be sold at retail;
26. Prescription drugs, insulin, testing and injection materials used by diabetics, oxygen and oxygen equipment for personal use, hospital beds for personal use, prosthetic and surgical devices, ostomy and orthopedic devices, crutches, wheelchairs and wheelchair lifts;
27. Emergency and fire protection vehicles used exclusively by non-profit organizations in providing emergency and fire protection services for political subdivisions;
28. Sales to community centers and to producers offering presentations in music, dramatics, the arts, and related fields to foster public interest and education;
29. Motor vehicles sold in Ohio to non-residents for use outside the state;
30. Property used in the preparation of eggs for sale;
31. Sales of handling and transportation equipment (except licensed motor vehicles) to persons engaged in manufacturing, processing, assembling, or refining when used in moving property in or between plants during the production process;
32. Sales of property for use in agricultural production;
33. Property manufactured in Ohio and immediately shipped outside the state for use in retail business, if sold by the manufacturer to the retailer and shipped in vehicles owned by the retailer;
34. Sales to persons engaged in manufacturing, processing, assembling, or refining of property used directly in the production of property used or consumed in the production of a final product (use on use);
35. Sales of solar, wind, or hydrothermal energy systems that meet certain guidelines adopted by the Director of Development;*
36. Sales to non-commercial, educational broadcasting stations;
37. Sales of animals by nonprofit animal shelters and county humane societies;
38. Items used in preserving, preparing, or serving food, or material used in maintaining or cleaning these items in a commercial food service operation;
39. Tangible personal property used in air, noise, or water pollution control facilities by holders of pollution control certificates issued by the Tax Commissioner;
40. Bulk water for residential use;
41. Tangible personal property incorporated into an energy conversion facility, solid waste energy conversion facility, or thermal efficiency improvement facility certified by the Tax Commissioner;
42. Sales to qualified nonprofit corporations of property used in furnishing services to, or conducting research for, public, educational, or charitable libraries.

* Effective through December 31, 1985.

DISCOUNT (R.C. 5739.12, 5741.12):

Payment on or before the date a return is required to be filed entitles the vendor to a discount of 1.5% of the amount due.

Example	$5,000	Tax Due
	- 75	1.5% Discount
	$4,925	Net Tax Due

TAXPAYER (R.C. 5739.01, 5739.03, 5739.031, 5739.17, 5741.01):

Any person, retailer, business, organization, etc. making retail sales or making taxable purchases on which the tax has not been paid may be required to file a return and remit the tax due.

TAXPAYER (R.C. 5739.01, 5739.03, 5739.031, 5739.17, 5741.01) con't.:

The following are those required to remit sales or use tax, the cost of any license if needed, and a description of each type of taxpayer:

Taxpayer	Cost of License	Description
Vendor	First year $25 Annual renewal $10	Each person or business establishment located in Ohio making retail sales.
Service Vendor	First year $25 Annual renewal $10	Person or business that provides automatic data processing and computer services to businesses.
Transient Vendor	First year $100 Annual renewal $40	Retailer that makes sales in any county in which the person has no fixed place of business. The license is valid throughout the state.
Limited Vendor	Each event $5	Retailer who makes sales at a temporary exhibition, show, flea market or other event. The license is valid only for the duration of the event or for seventeen days, whichever is less.
Seller	No fee	Retailer located outside of Ohio who makes retail sales of property or services for storage, use, or consumption in Ohio.
Direct Pay Permit Holder	No fee	Manufacturers or other consumers who purchase tangible personal property for which the taxable status cannot be determined at the time of purchase. These consumers are authorized to make sales and use tax payments directly to the state.
Clerks of Court	No fee	Vehicle dealers remit taxes collected on sales of motor vehicles and house trailers to county Clerks of Courts when a vehicle is titled. Clerks of Court also collect the tax on casual sales of motor vehicles, watercraft and outboard motors required to be titled.
Ohio Department of Liquor Control	No fee	Collects and remits sales tax paid on alcoholic beverages sold in state control stores.
Consumers Use Tax Account	No fee	Purchasers who have not paid the tax to a Vendor or Seller (in most cases for out-of-state transactions) make payments directly to the state.

PAYMENT DATES (R.C. 5739.12, 5741.12, Rule 5703-9-10):

Type of Return	Taxpayer	Payment Date
Weekly	Clerk of Court	Payment on Monday for tax collected during the preceding week on motor vehicles titled.
Semi-monthly	Ohio Department of Liquor Control	By the 15th day of the month for the tax collected during the first 15 days of the previous month, and by the last day of the month for the tax collected from the 16th through the last day of the previous month on alcoholic beverage sold in state control stores.
Monthly	Vendors, Sellers Service Vendors, Transient Vendors	By the 23rd day of the month (except for January, and July) for the tax collected during the preceding month. A semi-annual reconciliation return is filed by the last day of January and July for the preceding six-month period along with the tax due for the previous month.

PAYMENT DATES (R.C. 5739.12, 5741.12, Rule 5703-9-10) con't.:

Type of Return	Taxpayer	Payment Date
Alternate (Monthly)	Vendors, Sellers	By the 23rd day of the month (except for January and July) payments of an amount determined by the Tax Commissioner to be the average monthly tax liability of vendors and sellers authorized to use this method of payment. A semi-annual reconciliation return is filed by the last day of January and July for the preceding six-month period along with any tax due. This method of payment is available upon application to the Tax Commissioner for any vendor or seller normally required to file monthly returns and eliminates the need to determine the actual tax liability each month.
Quarterly	Direct Pay Permit Holders	By the last day of January, April, July, and October for their tax liability during the preceding three months.
Quarterly	Consumer Use Tax Accounts	By the 15th day of January, April, July, and October for their tax liability during the preceding three months.
Semi-annual	Vendors, Sellers	By the 23rd day of the month following the close of each semi-annual period (predetermined by filing schedule) for the tax collected during the preceding six-month period. This method of payment may be authorized for vendors and sellers whose tax liability is less than $600 per six-month period.

SPECIAL PROVISIONS:

Master Accounts (Rule 5703-9-09): Vendors who have two or more places of business in Ohio may, upon approval by the Tax Commissioner, file a single, monthly, consolidated return reporting on one form the information that normally is required to be reported from each location.

Prearranged Agreements (R.C. 5739.05): Vendors, such as fast food outlets, whose business is of such a nature that keeping records of which sales are taxable and which exempt would impose an unreasonable burden, may be authorized by the Tax Commissioner to pay an amount based on a test check conducted to determine the proportion of taxable sales to total sales. Businesses electing this method of payment still collect the tax from customers and pay under alternate filing authority.

Prepayment (R.C. 5739.05 and Rule 5703-9-08): Vendors, such as coin-operated vending machine operators, whose business is of such a nature that the collection of the tax from consumers would impose an unreasonable burden, may be authorized by the Tax Commissioner to prepay the tax at a rate based on an analysis of sales and prices.

Construction Contractors (R.C. 5739.01): Construction contractors are considered to be the consumers of property incorporated into the construction of or improvement to real property and thus responsible for paying the tax on such property.

Island Taxing Districts (R.C. 5739.101 - 5739.107): Off-shore islands not connected to the mainland by highway or bridge are authorized to levy a tax at the rate of 0.5%, 1%, or 1.5% on business receipts from sales. Receipts from this tax are for the general revenue of the township or municipality within the island territory. The tax is administered and collected by the township or municipal taxing authority.

SPECIAL PROVISIONS (cont'd):

Lodgings Tax (R.C. 5739.02 and 5739.024): In addition to the state sales tax, municipal corporations, townships, and counties may levy an excise tax on hotel and motel room rentals at a rate not exceeding three percent. Total combined local levies cannot exceed six percent. In certain cases, some of the funds are earmarked for convention and visitor bureaus.

DISPOSITION OF REVENUE:

1. State Sales and Use Tax:
   - a) Sales tax (R.C. 5739.21) -- All receipts to the state General Revenue Fund with 3.5% of the amount subsequently transferred to the Local Government Fund.
   - b) Use tax (R.C. 5741.03) -- All receipts to the state General Revenue Fund.
2. County Permissive Sales and Use Tax (R.C. 5739.21, 5741.03):
   - a) 1% certified to the credit of the Local Sales Tax Administrative Special Account for the use of the Tax Commissioner in defraying costs of administration.
   - b) Remainder to the county general revenue fund.
3. Transit Authority Sales and Use Tax (R.C. 306.31, 5739.21, 5741.03):
   - a) 1% certified to the credit of the Local Sales Tax Administrative Special Account for the use of the Tax Commissioner in defraying costs of administration.
   - b) Remainder to the general revenue of the transit authority for the purpose of acquiring, constructing, operating, maintaining, replacing, improving, and extending transit facilities.

OHIO REVISED CODE CITATIONS:

Chapters 306, 5709, 5739, 5741.

RECENT LEGISLATION:

Senate Bill 112, effective January 10, 1985.

R.C. 5739.01: Redefines automatic data processing and computer services that are subject to the sales tax and exempts professional services such as accounting, legal, and feasibility studies.

House Bill 560, effective July 15, 1985.

R.C. 307.95: Authorizes counties to finance the construction of convention center facilities to be used for conventions, meetings, and exhibitions.

R.C. 5739.024: Allow counties to levy an excise tax not to exceed three percent on hotel and motel lodgings to pay for the construction of a convention center. Counties had only ninety days from the effective date of this legislation to enact the tax. The tax cannot apply within municipal corporations or townships that already levy a lodging tax for their general revenue purposes. However, these municipalities and villages may repeal their levies in favor of the county tax.

House Bill 146, effective September 11, 1985.

R.C. 5709.72 and 5739.02: Nonprofit corporations that are exempt from the federal income tax receive a sales tax exemption on the purchase of property that is used to furnish services to, or conduct research for, public, charitable, or educational libraries.

RECENT SIGNIFICANT COURT DECISIONS:

Dresser Industries, Inc. v. Lindley (1984), 12 Ohio St. 3d 68, July 11, 1984.

Since title to all tangible personal property passed to federal government pursuant to contract, items purchased by Dresser for use in performing research and development contracts were purchased for resale.

Union Central Life Ins. Co. v. Lindley (1984), 12 Ohio St. 3d 80, July 11, 1984; appeal dismissed 105 S.C. 1156.

The lease of computer terminals and printers by an outstate company to an Ohio consumer was subject to use tax. The fact that the terminals were used on-line with an outstate computer was not interstate commerce so as to bar the assessment.

Bell & Howell Co., Charles E. Merrill Pub. Div. v. Limbach, Franklin County Court of Appeals (10th District) Case No. 83AP-1219, July 16, 1984.

The printing exception [5739.01 (E)(8) R.C.] does not require "direct use."

Procter & Gamble Co. v. Lindley (1985), 17 Ohio St 3d 71, May 15, 1985.

Artwork, purchased by the appellant and transferred to advertising and packaging suppliers pursuant to bilateral requirements contracts, is purchased for resale and is excepted from the tax.

Republic Steel Corp. v. Lindley, Board of Tax Appeals, Case No. 81-B-27, May 29, 1985.

Production of pig iron begins in the melt furnace and ends when the molten iron is drawn out. Skip hoists and furnace gas recovery system are not used directly and are not adjuncts.

Table 69

SALES AND USE TAX COLLECTIONS BY TYPE OF PAYMENT
FISCAL YEARS 1981 - 1985

Type Of Payment	1981	1982	1983	1984	1985
Vendors Sales Tax	$1,142,928,405	$1,295,325,687	$1,400,315,420	$1,581,091,093	$1,726,056,453
Sellers Use Tax	55,507,802	66,634,655	65,865,331	80,074,596	94,310,311
Direct Payment Sales Tax	66,288,981	72,100,418	83,744,157	92,296,472	104,596,852
Consumers Use Tax	34,076,569	38,471,240	39,855,784	47,153,791	53,379,392
Sales and Use Tax Assessments and Penalties	31,542,953	27,241,801	37,869,177	41,486,076	47,991,622
Attorney General Sales and Use Tax Collections	14,042,893	13,035,295	16,410,880	17,998,560	20,737,460
Liquor Sales by Department of Liquor Control	14,635,442	15,587,889	16,099,811	15,256,544	14,979,753
Tax on Casual Watercraft Sales	- -	1,835,954	2,977,655	3,441,031	3,593,280
Tax on Motor Vehicles and House Trailers	277,077,107	284,163,889	337,191,591	428,239,435	486,390,438
Total	$1,636,100,152	$1,814,396,828	$2,000,329,806	$2,307,037,598	$2,552,035,561
County and Regional Transit Authority Sales Tax	$ 194,277,650	$ 219,419,905	$ 239,547,741	$ 293,668,222	$ 323,559,341
Grand Total	$1,830,377,802	$2,033,816,733	$2,239,877,547	$2,600,705,820	$2,875,594,902

SOURCE: Ohio Office of Budget & Management, Monthly Revenue Report.

Table 70

NUMBER OF ACCOUNTS BY TYPE AND PAYMENT SCHEDULE
AS OF JUNE 30, 1985

	PAYMENT SCHEDULE				
Accounts	Monthly	Alternative	Semi-Annual	Quarterly	Total
Vendors	89,614	1,281	113,854	- -	204,749
Sellers Use	2,701	8	3,837	- -	6,546
Service Vendors	1,254	- -	- -	- -	1,254
Limited Vendors	1,161	- -	- -	- -	1,161
Master Accounts(a)	1,280	55	61	- -	1,396
Consumers Use	- -	- -	- -	9,252	9,252
Direct Pay	- -	- -	- -	1,066	1,066
Total	96,010	1,344	117,752	10,318	225,424

(a) Represents 20,748 retail establishments authorized to file under Consolidated Master Accounts.

Table 71

COUNTY AND TRANSIT AUTHORITY PERMISSIVE TAX COLLECTIONS, FISCAL YEARS 1981 - 1985

Number Active	County	Tax Rate 6/30/85	Amount of Tax					Current Status	
			1981	1982	1983	1984	1985	First Enacted	Termination Date (1)
1	Allen	0.5%	$ 2,313,506	$ 2,217,184	$ 2,269,310	$ 2,734,503	$ 2,950,669	May 1, 1970	-
2	Ashland	0.5	611,897	605,361	622,294	704,457	748,660	Mar. 1, 1971	-
3	Ashtabula	0.5	1,436,107	1,430,466	1,434,217	1,624,868	1,754,277	Apr. 1, 1977	-
4	Athens	0.5	0	201,814	666,903	775,013	822,840	Feb. 1, 1982	-
5	Auglaize	0.5	635,795	582,011	635,451	703,740	760,826	Nov. 1, 1973	-
6	Belmont	0.5	0	0	0	0	130,102	May 1, 1985	-
7	Brown	0.5	348,298	285,124	293,139	337,184	424,004	Aug. 1, 1979	-
8	Butler	0.5	0	0	0	0	19,050	Jun. 1, 1985	-
9	Clark	1.0	2,207,665	2,153,338	2,241,936	3,808,281	5,456,350	Nov. 1, 1972	-
10	Clermont	1.0	1,846,847	1,838,948	2,049,603	4,044,423	5,582,007	Aug. 1, 1979	-
11	Clinton	0.5	458,282	438,950	461,107	545,665	584,475	May 1, 1972	-
12	Coshocton	1.0	468,865	475,148	508,282	558,767	717,143	Jun. 1, 1971	-
13	Crawford	1.0	624,297	614,475	616,199	717,826	939,901	May 1, 1978	-
14	Cuyahoga	0.5	27,841,371	29,383,033	29,600,911	35,056,838	36,967,988	Sep. 1, 1969	-
15	Darke	0.5	678,421	637,685	665,743	762,129	850,256	Jul. 1, 1975	-
16	Delaware	0.5	673,501	660,694	731,323	825,359	951,305	Jan. 1, 1972	-
17	Erie	0.5	1,726,329	1,642,815	1,749,568	2,020,884	2,219,478	Mar. 1, 1977	-
18	Fairfield	0.5	0	819,790	1,284,458	1,526,992	1,776,444	Sep. 1, 1981	-
19	Fayette	0.5	0	0	87,942	265,438	475,987	Mar. 1, 1983	-
20	Fulton	0.5	508,402	495,877	524,109	605,440	645,319	May 1, 1972	-
21	Gallia	0.5	0	206,380	451,885	506,156	529,955	Dec. 1, 1981	-
22	Greene	0.5	1,470,576	1,535,035	1,567,940	1,821,295	2,030,835	Mar. 1, 1971	-
23	Guernsey	0.5	664,779	711,511	1,287,839	1,458,212	1,513,511	Feb. 1, 1971	-
24	Hamilton	0.5	19,394,800	19,431,404	20,793,300	24,052,210	26,505,225	Jun. 1, 1970	-
25	Hancock	0.5	4,888	1,718	199,549	1,464,267	1,630,843	Feb. 1, 1979	-
26	Henry	0.5	380,014	360,159	365,455	546,180	450,206	Mar. 1, 1972	-
27	Highland	0.5	386,422	367,536	387,513	434,573	483,233	May 1, 1979	-
28	Hocking	0.5	239,076	244,830	248,246	288,137	317,531	Apr. 1, 1979	-
29	Holmes	0.5	352,240	360,572	370,794	446,732	489,882	Jul. 1, 1977	-
30	Huron	0.5	774,206	734,089	763,631	893,146	1,004,513	Feb. 1, 1978	-
--	Jackson	-	0	103,124	447,311	1,909	3,263	Apr. 1, 1982	Dec. 31, 1982
31	Jefferson	0.5	1,325,465	1,332,853	1,243,566	1,432,330	1,462,539	Jun. 1, 1973	-
32	Knox	0.5	630,775	601,762	622,441	669,615	722,365	May 1, 1971	-
33	Lake	0.5	3,982,392	4,043,066	4,237,662	4,966,203	5,500,696	Jul. 1, 1969	-
34	Licking	1.0	1,754,228	1,796,459	1,889,677	2,865,707	4,634,244	Feb. 1, 1971	-
35	Logan	0.5	607,109	565,325	573,125	660,062	746,437	Jan. 1, 1974	-
36	Lucas	1.0	9,844,682	9,971,868	19,276,388	22,722,114	24,312,002	Feb. 1, 1971	-
37	Madison	1.0	0	0	178,728	798,996	873,770	Mar. 1, 1983	-
38	Mahoning	0.5	3,754,787	4,796,456	4,446,465	5,290,530	5,592,162	Apr. 1, 1980	-
39	Medina	0.5	1,578,953	1,588,740	1,625,841	1,959,357	2,162,364	Apr. 1, 1971	-
40	Mercer	0.5	569,961	546,732	592,424	647,511	720,865	Nov. 1, 1971	-
41	Miami	0.5	1,369,752	1,318,984	1,386,673	1,661,793	1,895,545	Dec. 1, 1969	-
42	Montgomery	0.5	11,427,041	11,400,645	12,147,665	14,453,643	16,122,729	Jan. 1, 1971	-
43	Morgan	0.5	112,356	116,838	114,796	131,583	150,683	Feb. 1, 1972	-
44	Morrow	0.5	115,881	88,142	183,073	216,858	246,904	Jul. 1, 1971	-
45	Muskingum	1.0	1,340,497	1,749,415	2,750,922	3,180,018	3,412,249	May 1, 1971	-
46	Noble	1.0	107,289	109,431	102,951	122,514	164,674	Jan. 1, 1971	-
47	Ottawa	1.0	590,714	600,029	638,876	770,837	929,382	Oct. 1, 1973	-
48	Paulding	1.0	0	0	0	69,376	404,048	Apr. 1, 1984	-
49	Perry	1.0	234,113	262,369	487,922	584,338	620,468	Mar. 1, 1971	-
50	Pickaway	1.0	0	0	0	776,001	1,369,520	Oct. 1, 1983	-
51	Preble	0.5	367,871	343,524	354,378	437,093	479,825	Nov. 1, 1979	-
52	Putman	0.5	348,575	323,581	338,053	413,119	432,062	Jan. 1, 1974	-
53	Richland	0.5	9,757	1,247,273	13,527	2,524,939	2,492,586	Jun. 1, 1979	-
54	Ross	0.5	990,780	979,384	1,002,913	1,187,755	1,245,770	Jan. 1, 1980	-
55	Sandusky	0.5	928,163	900,494	916,959	1,087,345	1,170,850	Aug. 1, 1979	-
56	Scioto	0.5	1,093,574	1,089,062	1,132,449	1,208,367	1,264,695	May 1, 1979	-
57	Seneca	1.0	0	0	0	1,162,837	1,615,603	Oct. 1, 1983	-
58	Shelby	0.5	584,281	520,165	566,185	659,875	702,982	Mar. 1, 1971	-
59	Summit	0.5	71,415	9,605,440	10,396,055	12,363,715	13,613,571	Mar. 1, 1973	-
60	Trumbull	0.5	0	0	0	0	418	Jun. 1, 1985	-
--	Tuscarawas	-	512	-(28)	1,543	636	0	Apr. 1, 1971	Dec. 31, 1977
61	Van Wert	1.0	437,645	390,146	657,870	937,972	1,037,515	Mar. 1, 1972	-
62	Vinton	1.0	0	0	0	0	16,709	May 1, 1985	-
63	Warren	0.5	1,521,242	1,502,193	1,541,551	1,923,935	2,122,006	Jan. 1, 1972	-
64	Washington	1.0	0	0	0	1,398,935	2,340,646	Oct. 1, 1983	-
65	Wayne	0.5	1,516,382	1,474,743	1,531,803	1,776,327	1,910,399	Mar. 1, 1971	-
66	Williams	0.5	526,521	505,274	530,527	618,203	701,431	Dec. 1, 1977	-
67	Wood	0.5	1,859,097	1,861,479	1,856,941	2,255,929	2,420,355	Jun. 1, 1971	-
68	Wyandot	1.0	0	0	0	0	203,437	Feb. 1, 1985	-
County Total			$115,648,394	$130,170,915	$146,665,907	$183,466,992	$205,550,584		
Cleveland RTA		1.0%	$ 55,285,857	$ 57,862,807	$ 59,429,661	$ 70,251,278	$74,122,473	Oct. 1, 1975	-
Miami Valley TA		0.5	9,678,497	11,430,125	12,019,459	14,331,601	28,392,449	Jul. 1, 1980	-
Central Ohio TA		0.5	13,664,902	19,956,058	21,432,714	25,618,351	15,493,835	Sep. 1, 1980	-
Transit Authority Total			$78,629,256	$89,248,990	$92,881,834	$110,201,230	$118,008,757		
Grand Total			$194,277,650	$219,419,905	$239,547,741	$293,668,222	$323,559,341		

(1) Some counties have repealed and then re-enacted the tax.

SEVERANCE TAX

The severance tax, first levied in 1972, is paid by persons or firms which extract or sever certain natural resources from the soil or waters of Ohio. The tax produced over $8 million in fiscal year 1985, about 53% of it from the levy on natural gas. In January, 1985, a special 1¢ tax on coal went into effect with the revenue earmarked for reclamation (See: Special Provisions). Severers are licensed by the Tax Commissioner or other designated state agencies.

TAX BASE (R.C. 5749.02):

The tax is levied on the weight or volume of certain natural resources extracted from the soil or water of Ohio.

RATES (R.C. 5749.02) (See: "Recent Legislation" for changes effective in fiscal year 1985):

Salt	4 ¢ per ton
Coal	5 ¢ per ton
Oil	10 ¢ per barrel
Natural Gas	2.5 ¢ per 1,000 cubic feet
Limestone, Dolomite, Sand, Gravel	1 ¢ per ton

EXEMPTIONS AND CREDITS (R.C. 5749.03):

$1,000 exemption annually for natural resources used on the land from which they are taken by the severer as part of the improvement of or use in his homestead.

TAXPAYER (R.C. 5749.02):

Each severer.

PAYMENT DATES (R.C. 5749.06):

Quarterly:	May 15 August 14 November 14 February 14	For quarterly periods ending the last day of March, June, September and December, respectively.

DISPOSITION OF REVENUE (R.C. 5749.02, 5749.021) (See: "Recent Legislation" for changes effective in fiscal year 1985):

A. To fund the Geological Mapping Special Account, the following distributions are made:

(1) 11% of coal severance tax collections
(2) 15% of salt, limestone, dolomite, sand and gravel severance tax collections
(3) 10% of oil and gas severance tax collections

B. To fund the Unreclaimed Lands Special Account, the following distributions are made:

(1) 89% of coal severance tax collections
(2) 85% of salt, limestone, dolomite, sand and gravel severance tax collections

C. To fund the Oil and Gas Well Plugging Special Account, one million dollars is allocated from the remaining 90% of oil and gas severance tax collections. Any excess over this dollar amount will be allocated to the Oil and Gas Permit Fee Special Account.

SPECIAL PROVISIONS:

A temporary 1-cent-per-ton tax on coal may be enacted in the event the balance in the Reclamation Special Account falls below $2 million and $500,000 has already been transferred to the account by the Auditor of State in the fiscal year.

OHIO REVISED CODE CITATIONS:

Chapter 5749.

RECENT LEGISLATION:

Am. H.B. 238, effective July 1, 1985.

R.C. 5749.02: Increases the permanent rate on coal from 4¢ to 7¢. Imposes a 1¢ per ton tax on coal to fund reclamation of certain lands. Revenue from this increase is earmarked for the defaulted areas special account. This additional 1¢ tax ends when sufficient revenues have to collected to reclaim the qualified lands.

R.C. 5749.021: Reduces amount of coal tax revenue earmarked for the geological mapping account from 11% to 6.3%. Earmarks 57.9% of the tax on coal for the coal mining administration and reclamation special account and 14.2% for the defaulted areas special account.

Table 73

SEVERANCE TAX COLLECTIONS, FISCAL YEARS 1983-1985

Natural Resource	Tax Rate[a]	1983	1984	1985
Coal	4 ¢ per ton	$1,396,538	$1,466,971	$1,624,542
Natural Gas	1 ¢ per 1,000 cu. ft.	1,411,260	3,257,320	4,350,637
Limestone	1 ¢ per ton	285,077	311,972	341,581
Oil	3 ¢ per barrel	445,000	1,138,132	1,401,340
Gravel	1 ¢ per ton	167,879	183,487	209,702
Sand	1 ¢ per ton	123,192	124,769	144,093
Salt	4 ¢ per ton	114,790	117,396	168,174
Dolomite	1 ¢ per ton	19,747	18,166	18,057
Total		$3,963,483	$6,618,213	$8,258,126

(a) Effective July 1, 1983, rate on natural gas increased to 2.5¢ and rate on oil increased to 10¢. Effective January 1, 1985, rate on coal increased to 5¢ per ton.

TANGIBLE PERSONAL PROPERTY TAX

Taxes levied on tangible personal property totaled $831.6 million in calendar year 1984, on a taxable value of $15.6 billion. Both of these figures were down substantially from 1983 primarily due to the new "$10,000 exemption" allowed each taxpayer and a reduction in the assessment percentages for tangible property. The $10,000 exemption reduced the statewide taxable value by $843.2 million and reduced statewide taxes levied by $47.3 million. However, the state reimbursed local governments for this revenue loss.

The assessment percentages applied to all types of tangible personal property (except electrical equipment) were reduced by one percentage point in 1984.

TAX BASE (R.C. 5701.03, 5701.08, 5709.01, 5711.03, 5711.15-5711.18, 5711.22):

Tangible personal property located and used in business in Ohio — including machinery, equipment, and inventories.

Class of Property	Percentage Applied to True Value to Determine Taxable Value	
	1984	1985
Manufacturing Machinery & Equipment	34%	33%
Manufacturers' Inventories	34%	33%
Merchants' Inventories	34%	33%
Electrical Equipment(1)	100%	100%
Furniture, Fixtures, and All Other Property	34%	33%

(1) Property used in generating or distributing electricity to others (except by utilities); the total value of this class is not significant.

Taxable value is determined by applying various assessment percentages to the true value of different classes of tangible personal property. The true value of depreciable assets (machinery and equipment, furniture and fixtures, etc.) is statutorily defined as depreciated book value unless the assessor determines otherwise. The true value of manufacturers' and merchants' inventories is determined by the average monthly value (basically, cost of acquisition) of the inventories. Inventories of other taxpayers are listed at their value as of the tax listing date (generally December 31). The table above shows the assessment percentages applied to true value in 1984 and 1985. The percentages for all property (except for electrical equipment) are reduced by one percentage point whenever total statewide tangible personal property tax collections in the second preceding year exceed the third preceding year by more than 2.5%. These reductions will continue until the assessment level reaches 25%. (Legislation enacted in fiscal year 1985 repealed this growth requirement for reductions after 1984).

RATES (R.C. 319.31, 5705.02, 5705.03, 5705.05, 5705.19):

Vary with taxing jurisdiction. Total tax rate includes all levies, enacted by legislative authority or approved by voters, for all taxing jurisdictions within which the property is located (e.g. county, township, municipal corporation, school district, etc.). The rates applied to tangible personal property are the same as those rates developed and applied to the previous year's listing of real estate and public utility property. However, gross taxes levied on real property are reduced when real property values increase, while taxes levied against tangible property are not reduced. The statewide average tax rate on tangible property in 1984 was 53.27 mills.

SPECIAL PROVISIONS (R.C. 321.24, 5733.061, 5747.051):

(A) An annual credit against the corporate franchise or personal income tax liability of a firm is allowed for a portion of the tangible property taxes timely paid on machinery and equipment used in manufacturing or refining and acquired in 1978 or thereafter. This credit is equal to the difference between the tangible property taxes actually paid on such property and the tax that would have been due if the listing percentage for the property had been 20% (starting in 1989 this percentage will be increased by one percentage point per year until 1993 - an increase from 20% to 25%). For 1984, this credit was equal to about 41% of the taxes paid on qualified equipment.

(B) Until 1988, certain municipalities may abate up to 100% of the tangible property taxes for a period of up to 10 years for qualified businesses establishing, expanding, renovating or occupying a facility in an "Urban Jobs and Enterprise Zone." Counties may abate up to 50% of the tangible property taxes for up to 10 years for businesses meeting the same qualifications.

(C) The local revenue loss caused by the "$10,000 exemption" (see "Exemptions and Exceptions Section) is reimbursed from state revenues.

EXEMPTIONS AND EXCEPTIONS:

1. The first $10,000 of otherwise taxable value for each company (R.C. 5709.01).
2. Property not used in business; i.e., property owned and not used for gain by any level of government, schools, churches, colleges, etc. (R.C. 5701.08, 5709.07, 5709.08, and 5709.12).
3. Registered motor vehicles and licensed aircraft (R.C. 5701.03 and 5709.01).
4. Personal property used in agriculture (R.C. 5701.08).
5. Patterns, jigs, dies, and drawings used in business which are held for use and not for sale (R.C. 5701.03).
6. Certified air, water, and noise pollution control equipment (R.C. 5709.25 and 6111.35).
7. Tangible personal property of domestic and foreign insurance companies, financial institutions, and dealers in intangibles (except property held, for the purpose of leasing to others) (R.C. 5725.25 and 5725.26).
8. Machinery and equipment while under construction and not capable of operation (R.C. 5701.08).
9. Certified energy conversion facilities — property used to convert a commercial or industrial facility from the use of natural gas or fuel oil to any other fuel except propane, butane, or naptha (R.C. 5709.50).
10. Certified thermal efficiency improvement facilities -- property used for recovery and use of waste heat, or steam produced in generating electricity, heat generation, lighting, refrigeration, or space heating (R.C. 5709.50).
11. Certified solid waste energy conversion facilities -- property used to convert solid waste from industrial operations into energy for some useful purpose (R.C. 5709.50).
12. Inventories held for use in a foreign trade zone (R.C. 5709.44).
13. Property in a public recreational facility used for athletic events if certain criteria are met (5709.081).
14. Property shipped from outside Ohio and held in Ohio for storage only (R.C. 5701.08).
15. Leased property used by the lessee exclusively for agricultural purposes (R.C. 5701.08).
16. New and used machinery, equipment, and accessories designed and built for agricultural use while in the inventory of a merchant (R.C. 5701.08).
17. Property owned by a port authority and leased to a railroad is partially exempt for a period of 10 years (R.C. 5709.71).

FILING AND PAYMENT DATES (R.C. 319.29, 323.10, 323.17, 5711.01, 5711.04, 5711.25, 5719.02):

February 15th to April 30th — Returns are filed by all businesses during this period unless a time extension of up to 45 days is allowed by the county auditor or Tax Commissioner. Taxpayers first engaging in business after January 1 file a return within 90 days of the day they start business. Single-county corporations, unincorporated businesses, and individuals pay one-half of tax due when filing tax return. Businesses whose only taxable property is exempt under the $10,000 exemption must still file returns and report the value of that property. The value of the "$10,000 exemption" is reduced by 50% for companies which do not file returns on time.

FILING AND PAYMENT DATES (cont'd)

Second Monday in August -- Tax Commissioner certifies preliminary tangible personal property valuations of inter-county corporations to county auditors.

Third Monday in August -- County auditor certifies and delivers tangible personal property list to county treasurer.

September 20th -- Inter-county corporations pay total tax liability by this date. Second half of tax due from all other taxpayers. This due date may be extended for up to 30 days.

DISPOSITION OF REVENUE (R.C. 319.50, 319.54, 5705.10, 5719.02, 5719.05):

After local administrative deductions, revenue is distributed to counties, municipalities, townships, school districts, and special districts according to the taxable values and total voted millage levied by each, or as apportioned by the county budget commission (millage inside the 10-mill limit). In 1984, school districts received about 71% of the total tax revenue, while municipalities received 9%, townships 3%, and counties and special districts 17%.

OHIO REVISED CODE CITATIONS:

Chapters 319, 323, 5701, 5705, 5709, 5711 and 5719.

ADMINISTRATION (R.C. 5711.11, 5711.13):

Each county auditor is a deputy of the Tax Commissioner for purposes of this tax. Taxpayers are required to file annual returns with either the Tax Commissioner or the county auditor. The following table indicates where the returns are filed and who is responsible for assessing the property.

Taxpayers	File With And Tax Assessed By
Inter-county corporations (corporations with taxable property in more than one Ohio county)	Tax Commissioner
Single-county corporations* (corporations with taxable property in only one Ohio county)	County Auditor
Unincorporated businesses*	County Auditor

*Returns are filed in duplicate with one copy forwarded to the Tax Commissioner.

RECENT LEGISLATION:

S.B. 334, effective December 26, 1984.

R.C. 5711.13: Requires unincorporated businesses to file returns with Tax Commissioner.

Section 5: Reduces 1985 assessment percentage to 33% even though the increase in collections in 1983 was less than in collections in 1983 was less than 2.5%.

H.B. 238, effective July 1, 1985.

R.C. 5711.22: Removes growth requirement for further reductions in tangible property assessment percentage. Assessment percentage is reduced by one percentage point each year until reaching 25% in 1993.

RECENT LEGISLATION (cont'd)

S.B. 130, effective October 17, 1985.

R.C. 319.311: Requires reimbursement of revenue loss in cases where the "$10,000 exemption" is claimed after the tax duplicate is prepared.

Section 3: Requires Tax Commissioner to remit taxes for 1984 and prior years if the following conditions are met:

(1) Taxpayer files application for remission of taxes by December 31, 1986.
(2) The Tax Commissioner determines that the taxpayer would have had no liability for the year if the "$10,000 exemption" had been in effect.
(3) The taxpayer files returns for 1984 and 1985 and agrees to file returns in future years.

RECENT SIGNIFICANT COURT DECISIONS:

General American Transportation Corp. v. Limbach (1984), 15 Ohio St. 3d 302, December 31, 1984.

The raw material inventory of a manufacturer is subject to personal property tax regardless of whether the final product is sold or leased. An entity that manufactures products and then leases them as a public utility is a "dual capacity" enterprise, and the exemption from personal property tax afforded public utilities does not cover the entity's manufacturing operation.

Buckeye Rubber Products Inc. v. Lindley, Board of Tax Appeals Case No. 81-G-519, March 29, 1985.

Penalty is applicable for failure to timely list or disclose any class or item of taxable property, even if a return is timely filed and the tax liability timely paid.

Timken Co. v. Lindley (1985), 17 Ohio St. 3d 85, May 15, 1985.

The function of a particular device, rather than its form, determines whether it is an exempt pattern, jig or die.

West Baking Co. v. Lindley, Board of Tax Appeals Case No. 81-F-487, May 30, 1985.

Since the Department of Taxation's true value computation is based on composite annual allowances, it would be inappropriate to apply the composite rates only to the longer life property in the composite group and apply an alternative rate to the shorter life property. Property is not obsolete just because the owner, by virtue of its selection of customers, no longer has any use for the property.

Table 73

ASSESSED VALUE OF TANGIBLE PERSONAL PROPERTY AND TAXES LEVIED, CALENDAR YEARS 1980 - 1984

Calendar Year	Value Of Tangible Property	Taxes Levied	Annual Change Value	Annual Change Taxes	Average Tax Rate (in mills)
1980	$15,649,200,844	$765,047,826	+ 4.19%	+ 5.13%	48.89
1981	16,382,452,426	819,340,054	+ 4.69	+ 7.10	50.01
1982	17,165,332,451	879,966,346	+ 4.78	+ 7.40	51.26
1983	17,054,242,529	885,008,265	- 0.65	+ 0.57	51.89
1984	15,612,065,178*	831,600,228*	- 8.46*	- 6.03*	53.27

* Both value and taxes levied declined substantially primarily as a result of the new $10,000 exemption granted each taxpayer.

Table 74

TAXES LEVIED ON TANGIBLE PERSONAL PROPERTY, BY SUBDIVISION, CALENDAR YEARS 1980 - 1984

Calendar Year	Taxes Levied Currently					Delinquent Taxes From Former Years	Total Taxes And Delinquencies
	City And Village	School District	Township	County*	Total		
1980	$78,004,731	$541,260,758	$20,063,708	$125,718,629	$765,047,826	$ 69,446,632	$ 834,494,458
1981	81,745,593	579,664,583	22,104,259	135,825,619	819,340,054	84,295,853	903,635,907
1982	84,585,528	621,776,430	24,340,333	149,264,055	879,966,346	97,902,296	977,868,642
1983	82,018,503	622,717,660	26,096,687	154,175,415	885,008,265	130,059,139	1,015,067,404
1984	74,791,617	588,110,334	23,377,425	145,320,852	831,600,228	131,225,649	962,825,877

* Include Special Districts

Table 75

TAXES LEVIED ON TANGIBLE PERSONAL PROPERTY IN OHIO CITIES, BY SUBDIVISION, CALENDAR YEARS 1980 - 1984

Calendar Year	Taxes Levied Currently					Delinquent Taxes From Former Years	Total Taxes And Delinquencies
	City And Village	School District	Township	County*	Total		
1980	$70,993,042	$376,632,536	$1,485,197	$ 89,644,517	$538,755,292	$50,568,898	$10,486,887,239
1981	73,019,485	396,426,367	1,510,295	98,653,434	569,609,581	58,624,000	10,814,971,514
1982	76,423,183	430,899,482	1,763,758	108,746,998	617,833,421	69,648,473	11,436,660,951
1983	74,386,979	429,175,956	1,927,237	111,685,765	617,175,925	90,425,168	11,285,081,802
1984	67,932,293	413,715,809	1,813,002	105,373,569	588,834,673	88,938,544	10,446,173,896

* Include Special District

Table 76

ASSESSED VALUE OF TANGIBLE PERSONAL PROPERTY OF INTER-COUNTY CORPORATIONS BY INDUSTRY CLASS AND CLASS OF PROPERTY, CALENDAR YEAR 1984[a]

	Manufacturing Machinery & Equipment[b]	Manufacturers' Inventories	Merchants' Inventories	Furniture, Fixtures & All Other Property	Total
Agriculture & Forestry	$ 3,694,640	$ 1,931,850	$ 6,131,990	$ 3,271,860	$ 15,030,340
Mining	171,185,050	22,117,500	25,503,110	38,896,170	257,701,830
Construction	16,738,430	7,788,540	6,081,420	21,178,970	51,787,360
Manufacturing	3,675,237,950	3,439,110,090	493,030,190	584,929,380	8,192,307,610
Transportation	51,474,430	10,210,550	12,495,860	59,279,070	133,459,910
Wholesale Trade	90,533,460	111,475,270	289,487,120	86,235,750	577,731,600
Retail Trade	26,940,590	24,212,450	702,571,110	291,001,640	1,044,725,790
Finance	99,851,640	40,480,550	34,195,030	106,521,960	281,049,180
Service	62,671,990	12,160,310	94,459,970	241,769,890	411,062,160
Unclassified[c]	81,414,970	66,685,100	21,078,120	46,080,590	215,258,780
Total	$4,279,743,150	$3,736,172,210	$1,685,033,920	$1,479,165,280	$11,180,114,560

(a) Inter-county corporations are corporations with taxable property in more than one Ohio county.
(b) Also includes property used in mining, laundries, dry cleaning, towel and linen supply, stone and gravel plants, and radio and television broadcasting.
(c) Primarily property leased from financial institutions.

Table 77

ASSESSED VALUE OF TANGIBLE PERSONAL PROPERTY, BY CLASS OF PROPERTY, CALENDAR YEARS 1983 - 1984

(dollar amounts in millions)

Class of Property	Schedule	Assessment Levels (% of True Value)		Assessed Taxable Value: Inter-county Corporations		Assessed Taxable Value: All Businesses[a]	
		1983	1984	1983	1984	1983[b]	1984[b]
Manufacturing Machinery & Equipment	2	36%	34%	$ 4,521.3	$ 4,279.7	$ 5,881.8	$5,436.4
Manufacturers' Inventories	3	35	34	4,245.7	3,736.2	5,186.5	4,536.3
Merchants' Inventories	3A	35	34	1,703.3	1,685.0	3,691.7	3,375.7
Furniture, Fixtures & All Other Property	4	36	34	1,379.5	1,479.2	2,302.2	2,263.7
Total				$11,849.8	$11,180.1	$17,062.2	$15,612.1

(a) Includes single-county corporations and unincorporated businesses as well as inter-county corporations.
(b) Partially estimated.

Table 78

PERCENTAGES APPLIED TO TRUE VALUE OF TANGIBLE PERSONAL PROPERTY TO DETERMINE TAXABLE VALUE, TAX YEARS 1977 - 1986

Tax Year	Manufacturing Machinery & Equipment	Manufacturers' Inventories	Merchants' Inventories	Electrical Equipment[a]	All Other Property[b]
1977	48%	43%	43%	100%	48%
1978	46	41	41	100	46
1979	44	39	39	100	44
1980	42	37	37	100	42
1981	40	35	35	100	40
1982	38	35	35	100	38
1983	36	35	35	100	36
1984	34	34	34	100	34
1985	33	33	33	100	33
1986	32	32	32	100	32

(a) Property used in generating or distributing electricity to others (except utilities).
(b) Includes furniture and fixtures.

Table 79

ASSESSED VALUE OF TANGIBLE PERSONAL PROPERTY, TAXES LEVIED AND AVERAGE COUNTY RATES ON TANGIBLE PROPERTY, CALENDAR YEAR 1984, BY COUNTY

County	Value of Taxable Property	Taxes Levied(a)	Average County Rate (in mills)	County	Value of Taxable Property	Taxes Levied(a)	Average County Rate (in mills)
Adams	$ 14,011,815	$ 416,450	29.72	Logan	$ 32,911,243	$ 1,608,425	48.87
Allen	271,328,249	9,708,507	35.78	Lorain	417,672,558	24,293,193	58.16
Ashland	54,844,132	2,763,190	50.38	Lucas	781,741,725	44,224,165	56.57
Ashtabula	133,926,822	7,028,864	52.48	Madison	14,664,378	640,030	43.65
Athens	16,133,798	901,725	55.89	Mahoning	274,761,221	14,501,047	52.78
Auglaize	64,266,711	2,539,983	39.52	Marion	106,005,324	4,888,481	46.12
Belmont	77,135,192	3,302,808	42.82	Medina	98,040,596	6,368,413	64.96
Brown	10,629,464	450,302	42.36	Meigs	33,767,411	1,282,594	37.98
Butler	376,843,576	15,809,590	41.95	Mercer	47,136,360	1,812,391	38.45
Carroll	20,542,760	925,160	45.04	Miami	142,144,567	7,326,419	51.54
Champaign	33,809,220	1,519,238	44.94	Monroe	98,787,867	3,807,735	38.54
Clark	146,160,736	6,638,841	45.42	Montgomery	906,710,426	54,504,791	60.11
Clermont	135,472,009	6,435,802	47.51	Morgan	17,821,168	638,920	35.85
Clinton	38,224,270	1,650,280	43.17	Morrow	15,188,373	734,361	48.35
Columbiana	80,987,563	3,759,503	46.42	Muskingum	102,512,211	4,783,002	46.66
Coshocton	64,123,797	2,618,256	40.83	Noble	22,582,219	836,135	37.03
Crawford	89,860,331	4,368,022	48.61	Ottawa	61,117,760	2,972,226	48.63
Cuyahoga	2,434,930,729	167,360,906	68.73	Paulding	14,902,967	741,793	49.77
Darke	50,454,951	2,022,467	40.08	Perry	19,057,185	912,563	47.89
Defiance	76,453,549	2,847,971	37.25	Pickaway	74,366,545	2,954,829	39.73
Delaware	72,055,646	3,005,907	41.72	Pike	12,803,455	723,041	56.47
Erie	143,963,399	7,640,147	53.07	Portage	118,005,148	7,559,678	64.06
Fairfield	89,924,448	4,924,707	54.76	Preble	24,008,527	1,049,575	43.72
Fayette	22,790,170	950,971	41.73	Putnam	26,490,883	1,050,448	39.65
Franklin	1,224,358,969	63,345,128	51.74	Richland	205,346,698	10,331,376	50.31
Fulton	40,670,096	1,921,041	47.23	Ross	136,261,008	6,336,321	46.50
Gallia	20,982,771	709,834	33.83	Sandusky	106,335,502	4,351,342	40.92
Geauga	58,529,985	3,724,575	63.64	Scioto	83,383,240	3,462,650	41.53
Greene	64,086,585	3,513,353	54.82	Seneca	128,854,626	5,448,741	42.29
Guernsey	55,973,511	2,508,917	44.82	Shelby	88,684,112	3,583,296	40.41
Hamilton	1,688,747,700	91,466,631	54.16	Stark	607,398,712	29,067,964	47.86
Hancock	131,986,837	5,587,445	42.33	Summit	634,601,728	36,352,683	57.28
Hardin	30,219,915	1,218,567	40.32	Trumbull	496,129,815	22,436,562	45.22
Harrison	34,483,232	1,439,534	41.75	Tuscarawas	123,490,939	5,546,285	44.91
Henry	45,457,604	2,032,831	44.72	Union	89,359,805	3,655,742	40.91
Highland	22,651,306	946,864	41.80	Van Wert	43,832,662	2,007,027	45.79
Hocking	19,665,283	877,363	44.61	Vinton	18,013,170	625,946	34.75
Holmes	30,592,998	1,389,735	45.43	Warren	74,619,704	3,717,286	49.82
Huron	68,318,576	3,316,293	48.54	Washington	148,820,761	5,716,111	38.41
Jackson	26,426,049	972,572	36.80	Wayne	150,740,609	7,443,570	49.38
Jefferson	108,578,605	4,769,986	43.93	Williams	65,934,783	3,252,421	49.33
Knox	64,726,232	3,157,189	48.78	Wood	143,502,183	6,983,334	48.66
Lake	291,599,458	17,959,349	61.59	Wyandot	27,313,189	1,170,158	42.84
Lawrence	54,167,140	2,131,537	39.35				
Licking	175,145,626	7,318,817	41.79	Total	$15,612,065,178	$831,600,228	53.27

(a) All levies for current expense and debt for all local governments.

Table 80

TAXES LEVIED CURRENTLY BY SCHOOL DISTRICTS AND ALL LOCAL GOVERNMENTS ON TANGIBLE PERSONAL PROPERTY, CALENDAR YEAR 1984, BY COUNTY

	Taxes Levied Locally on Tangible Personal Property		
		By School Districts	
County	By All Local Governments	Amount	Percent Of Total
Adams	$ 416,450	$ 292,178	70.16%
Allen	9,708,507	7,479,263	77.04
Ashland	2,763,190	2,189,826	79.25
Ashtabula	7,028,864	4,627,994	65.84
Athens	901,725	662,370	73.46
Auglaize	2,539,983	1,994,942	78.54
Belmont	3,302,808	2,436,475	73.77
Brown	450,302	316,244	70.23
Butler	15,809,590	11,676,365	73.86
Carroll	925,160	668,411	72.25
Champaign	1,519,238	1,219,155	80.25
Clark	6,638,841	5,180,065	78.03
Clermont	6,435,802	4,603,396	71.53
Clinton	1,650,280	1,109,686	67.24
Columbiana	3,759,503	2,849,071	75.78
Coshocton	2,618,256	2,057,005	78.56
Crawford	4,368,022	3,743,567	85.70
Cuyahoga	167,360,906	105,328,206	62.93
Darke	2,022,467	1,349,228	66.71
Defiance	2,847,971	2,260,213	79.36
Delaware	3,005,907	2,370,318	78.86
Erie	7,640,147	6,083,184	79.62
Fairfield	4,924,707	4,067,044	82.58
Fayette	950,971	685,283	72.06
Franklin	63,345,128	46,600,196	73.57
Fulton	1,921,041	1,429,028	74.39
Gallia	709,834	553,980	78.04
Geauga	3,724,575	2,754,788	73.96
Greene	3,513,353	2,431,297	69.20
Guernsey	2,508,917	1,622,071	64.65
Hamilton	91,466,631	57,705,092	63.09
Hancock	5,587,445	4,535,907	81.18
Hardin	1,218,567	946,767	77.70
Harrison	1,439,534	1,051,778	73.06
Henry	2,032,831	1,535,214	75.52
Highland	946,864	698,715	73.79
Hocking	877,363	644,175	73.42
Holmes	1,389,735	947,069	68.15
Huron	3,316,293	2,640,212	79.61
Jackson	972,572	625,866	64.35
Jefferson	4,769,986	3,510,829	73.60
Knox	3,157,189	2,549,666	80.76
Lake	17,959,349	13,590,769	75.68
Lawrence	2,131,537	1,683,210	78.97
Licking	7,318,817	6,060,417	82.81
Logan	$ 1,608,425	$ 1,269,429	78.92%
Lorain	24,293,193	18,781,110	77.31
Lucas	44,224,165	31,700,487	71.68
Madison	640,030	471,500	73.67
Mahoning	14,501,047	9,784,394	67.47
Marion	4,888,481	3,700,346	75.70
Medina	6,368,413	5,256,334	82.54
Meigs	1,282,594	850,705	66.33
Mercer	1,812,391	1,502,382	82.90
Miami	7,326,419	5,846,277	79.80
Monroe	3,807,735	3,047,915	80.05
Montgomery	54,504,791	37,956,309	69.64
Morgan	638,920	485,564	76.00
Morrow	734,361	518,830	70.65
Muskingum	4,783,002	3,529,594	73.79
Noble	836,135	668,016	79.89
Ottawa	2,972,226	2,332,996	78.49
Paulding	741,793	539,975	72.79
Perry	912,563	621,720	68.13
Pickaway	2,954,829	2,241,745	75.87
Pike	723,041	446,994	61.82
Portage	7,559,678	5,891,302	77.93
Preble	1,049,575	810,086	77.18
Putnam	1,050,448	811,367	77.24
Richland	10,331,376	7,998,539	77.42
Ross	6,336,321	4,809,676	75.91
Sandusky	4,351,342	3,396,377	78.05
Scioto	3,462,650	2,416,820	69.80
Seneca	5,448,741	4,477,705	82.18
Shelby	3,583,296	2,867,313	80.02
Stark	29,067,964	22,144,415	76.18
Summit	36,352,683	24,052,930	66.17
Trumbull	22,436,562	16,260,998	72.48
Tuscarawas	5,546,285	4,161,613	75.03
Union	3,655,742	2,852,833	78.04
Van Wert	2,007,027	1,467,824	73.13
Vinton	625,946	376,496	60.15
Warren	3,717,286	2,974,353	80.01
Washington	5,716,111	4,498,848	78.70
Wayne	7,443,570	5,811,327	78.07
Williams	3,252,421	2,672,968	82.18
Wood	6,983,334	5,554,900	79.55
Wyandot	1,170,158	882,487	75.42
Total	$831,600,228	$588,110,334	70.72

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